

22-11150

United States Court of Appeals
for the
Eleventh Circuit

IRA KLEIMAN, as the Personal Representative of the Estate of David Kleiman,

Plaintiff/Appellant,

— v. —

CRAIG WRIGHT,

Defendant/Appellee.

APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
CASE NO: 9:18-cv-80176-BB
(Hon. Beth Bloom)

APPELLANT’S APPENDIX – VOLUME EIGHT

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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

IRA KLEIMAN, as personal representative of
the estate of David Kleiman, and W&K INFO
DEFENSE RESEARCH, LLC

plaintiffs,

v.

Case No. 9:18-cv-80176 (BB/BR)

CRAIG WRIGHT,

defendant.

_____ /

**DR. CRAIG S. WRIGHT'S OPPOSITION
TO THE ESTATE OF DAVID KLEIMAN'S MOTION FOR NEW TRIAL**

I. INTRODUCTION

After a complex, three-week trial, one of the plaintiffs, the Estate of David Kleiman (the “Estate”) demands a new trial because of ten questions that allegedly “explored the relationship” between Ira and David Kleiman in “violation” of the Court’s interlocutory order on a Motion *in Limine*. D.E. 623 (the “Order”). Plaintiff failed to object to five of these ten questions, failed to object when they were answered, never moved to strike or for a curative instruction, and thereby waived altogether any assignment of error. Plaintiff did object to five of the ten questions. Two of its objections were overruled, and, as it did with the five questions where it sat on its hands, plaintiff never moved to strike the answers or for a curative instruction. That leaves three questions to which plaintiff objected and its objections were sustained. Those questions were not answered, and no evidence came in at all, because questions are not evidence. Thus, we begin with the mundane, but incontrovertible, observation that plaintiff has no basis for assigning any “error” to the three questions that were not answered.

As for the seven questions that were answered, plaintiff waived any assignment of error as to the five where it sat on its hands and failed to object, or to move to strike the answers, or for a curative instruction. *Collins v. Wayne Corp.*, 621 F.2d 777, 785–86 (5th Cir. 1980) (“To hold otherwise “would permit counsel to sit silently when an error is committed at trial with the hope that they will get a new trial because of that error if they lose.”). That leaves two questions as to which plaintiff objected and its objections were overruled. Allowing answers to those two questions was within the Court’s discretion. Just as the Court had discretion to determine a category of exclusion on a motion *in limine*, it necessarily possessed *a priori* discretion to make a court’s traditional and time-honored, *ad hoc* determination of “the relevance and admissibility of any given piece of evidence” when offered at trial. *ML Healthcare Servs., LLC v. Publix Super Mkts., Inc.*, 881 F.3d 1293, 1297 (11th Cir. 2018) (quoting *U.S. v. Clay*, 832 F.3d 1259, 1314 (11th Cir. 2016)). After all, motions *in limine* are a mere procedural convenience, aimed at streamlining trials and promoting efficiency. *Ins. House, Inc. v. Ins. Data Processing, Inc.*, 2009 WL 10670469, at *2 (N.D. Ga. 2009), *aff’d*, 367 F. App’x 1 (11th Cir. 2010) (citing *Carofino v. Forester*, 450 F. Supp. 2d 257, 270 (S.D.N.Y. 2006) (“The purpose of a motion in limine is to streamline the trial process by making advance rulings on evidentiary issues definitely set for trial to avoid interrupting the trial with lengthy argument.”). They are, by definition, interlocutory and subject to modification throughout trial. *Id.* (“A district court may adjust its

ruling on a motion in limine during the course of the trial.” (citing *Farfaras v. Citizens Bank & Trust of Chicago*, 433 F.3d 558, 565 (7th Cir. 2006))).

Thus, even if it reasonably could be argued (it can’t) that the Court’s decision to admit seven answers “violated” its own interlocutory, modifiable Order on the Motion *in Limine*, plaintiff had two options when answers were given. Its first option was to object to what it now hypothesizes was a “*de facto* modification *sub silentio*” of the interlocutory Order as an abuse of discretion. Plaintiff did not object. Even if it had objected, this argument would have been frivolous, because the relationship between the brothers was directly relevant and “excluded” only pursuant to Fed. R. Evid. 403. The Court had discretion to decide on the spot that the probative value of the answers to those limited questions outweighed any potential prejudice.

Plaintiff’s second option was the lawyer’s traditional and time-honored, *ad hoc* objection to admission of evidence when offered, either before or after the questions were answered. Plaintiff didn’t object on this basis, either, as to five of the questions (and seven of the answers). As noted above, the Court had discretion to decide on the spot that the probative value of the particular answers to these particular limited questions outweighed any potential prejudice.

The Court had discretion to allow these seven answers into evidence. Moreover, plaintiff’s failure at trial to object, move to strike the answers or for a curative instruction, or object to their belatedly hypothesized “modification” of the Court’s interlocutory Order on the Motion *in Limine*, waived its claim to any assignment of error, let alone a new trial.

Further, plaintiff’s motion for new trial [D.E. 861] (the “Motion”) cannot be granted because it wholly fails to demonstrate that (1) the district court committed error, which (2) affected the plaintiff’s substantial rights or caused substantial prejudice, such that (3) the error was not merely harmless. *E.g., Peat, Inc. v. Vanguard Research, Inc.*, 378 F.3d 1154, 1162 (11th Cir. 2004). Because no abuse of discretion has been (or could have been) shown to have been committed by the Court, plaintiff’s Motion fails at the very first step, and there is no basis to hypothesize about prejudice or harm. Nonetheless, its Motion is loaded with unsupported assertions of supposed harm from the challenged questions. As a matter of law and logic, those assertions cannot even properly be considered, because ***there was no error by the Court.***

However, to protect the record and avoid waiver – like remembering to object at trial to the admission of evidence – we will address plaintiff’s hypothetical assertions of prejudice and harm after disposing of its ill-founded “error” theories.

II. ARGUMENT

A. There was No Violation of the Order on the Motion *in Limine*

The Court entered an Order on plaintiffs' Motion *in Limine* to exclude evidence of the "sibling relationship" between Ira and David Kleiman, except for testimony about a supposed conversation the two had at Thanksgiving in 2009. Order at 16. The Order says it did so to address plaintiffs' concern that the "jury will make a decision in this case premised on how good of a brother Ira [Kleiman] was or whether [he] deserves Dave [Kleiman's] fortune – instead of basing their decision on the facts and merits of the case." Order at 15. The Estate now argues that ten questions asked by Dr. Wright's counsel "violated" the interlocutory Order on the Motion *in Limine*. As noted above, these questions fall into three categories: five questions to which plaintiff failed to object, three questions as to which the Court sustained objections, and two questions as to which the Court overruled plaintiff's objections.

1. *The Estate Waived Its Objections by Failing to Object at Trial*

As grounds for a new trial, plaintiff cites five questions as to which *it sat on its hands, never objected, never moved to strike the answers, and never asked for a curative instruction*:

Q. Right. The last time you spoke to David Kleiman in life was in 2009, right?

A. Correct -- well, no, no. Actually, I shouldn't say that.

Q. I said that the wrong way.

A. That's the last time I recall seeing him.

Q. Are you finished, Mr. Kleiman?

A. Yes.

Motion at 4 (citing Trial Tr. Day 4 at 23:12–19).

Q. You never saw him in the hospital?

A. No.

Motion at 4 (citing Trial Tr. Day 4 at 84:1–2).

Q. All right. To be clear, just to make this crystal clear, you didn't learn of Dave's death until a few days after his body was found?

A. Yes.

Q. And he -- you don't know the exact date, but he had died some days before?

A. I believe so.

Motion at 4-5 (citing Trial Tr. Day 4 at 135:22–136:3).

Q. Mr. Kleiman --

MR. RIVERO: Mr. Shah, if you could highlight the first two sentences of Paragraph 3.

BY MR. RIVERO:

Q. “Ira is David’s brother. He had limited contact and personal knowledge as to David’s financial affairs throughout David’s life.”
Correct?

A. Correct.

MR. BRENNER: Your Honor, I have to ask to approach.

THE COURT: I’m sorry?

MR. BRENNER: I have to ask to approach, Your Honor, and ask that it be taken down during the sidebar.

THE COURT: All right. If we can take it down for a moment.¹

Motion at 5 (citing Trial Tr. Day 4 at 173:12–25).

Q. So you knew David Kleiman for about 20 years.

A. Yeah. I believe it was about 20 years.

Q. During that time, how many times did you hear of Ira Kleiman?

A. I can’t really recall of any offhand, other than he had a brother.

Motion at 6 (citing Trial Tr. Day 2 at 184:19–24).

The Federal Rules of Evidence make it crystal clear that a party must object *during trial*² to preserve a claim of error for appeal:

(a) Preserving a Claim of Error: A **party may claim error in a ruling** to admit or exclude evidence **only if** the error affects a substantial right of the party and:

(1) if the ruling admits evidence, **a party, on the record:**

(A) **timely objects or moves to strike; and**

(B) states the specific ground, unless it was apparent from the context.

Fed. R. Evid. 103(a)(1) (emphasis added). The record excerpts above show that plaintiff *did not object during trial to these questions*, did not move to strike the answers, and did not ask for a curative instruction, which definitively waived any claimed error in admitting the evidence.

¹ Dr. Wright notes that D008 (the exhibit taken down that was being shown to the jury) had been on Dr. Wright’s exhibit list from day one, but the Estate never objected to it on the theory that it purportedly violated the Order on the Motion *in Limine*. See D.E. 641-1, 669-1, 725-1, 731-1, 737-1, and 756-1. This stands in contrast to other exhibits, such as D252 and D255 where plaintiffs did object with a “MIL.” *Id.*

² This should come as no surprise to the Estate. The same Order that the Estate claims Dr. Wright violated states: “[i]n light of the preliminary or preemptive nature of motions in limine, ‘any party may seek reconsideration at trial in light of the evidence actually presented and **shall make contemporaneous objections when evidence is elicited.**’” D.E. 623 at 3 (emphasis added) (citing *Holder v. Anderson*, 2018 WL 4956757, at *1 (M.D. Fla. 2018)).

The “object or waive” rule remains applicable where solicited testimony violates a motion *in limine*.³ *E.g.*, *Collins v. Wayne Corp.*, 621 F.2d 777, 785–86 (5th Cir. 1980)⁴ (An “objection is required to preserve error when an opponent, or the court itself, violates a motion *in limine* that was granted.”);⁵ *U.S. v. Roenigk*, 810 F.2d 809, 815 (8th Cir. 1987) (“[A] motion *in limine* does not preserve error for review. A party whose motion *in limine* has been overruled must object when the error the party sought to prevent is about to occur at trial.”); *Wilson v. Vermont Castings, Inc.*, 170 F.3d 391, 395 n.7 (3d Cir. 1999) (“Because [the plaintiff] prevailed on the motion *in limine* to limit [the defendant’s] arguments, her counsel had an obligation to renew his objection once he thought [the defendant] had violated this ruling.”). To hold otherwise “would permit counsel to sit silently when an error is committed at trial with the hope that they will get a new trial because of that error if they lose.” *Collins*, 621 F.2d at 785–86.⁶

Undeterred, the Estate spills much ink discussing the purported evidence it claims it would have introduced at trial to show that David and Ira Kleiman had a close relationship.

³ These questions did not “explore” the relationship between the brothers, but served to establish Ira’s lack of personal knowledge as to David’s finances and relevant time periods, including when David Kleiman died and the Estate was formed. Additionally, as will be shown below, establishing the last time the brothers spoke was critical to demonstrating the implausibility of plaintiff’s Thanksgiving 2009 story. Further, Dr. Wright had a duty to preserve on the record his objections to the Order on the Motion *in Limine*, just as the Estate had a duty to object to questions they found objectionable at trial. *U.S. v. Estes*, 994 F.2d 147, 149 (5th Cir. 1993) (affirming “the district court’s ruling on the motion *in limine*” because the defendant didn’t “attempt[] to offer evidence of the conviction at trial to preserve this issue for appeal”); *Collins*, 621 F.2d at 781 (“Error may not be predicated upon a ruling which . . . excludes evidence unless . . . the substance of the evidence was made known to the court by offer or was apparent from the context within which questions were asked.” (citing Fed. R. Evid. 103(a)(2))).

⁴ *Collins* is binding precedent because former Fifth Circuit decisions rendered prior to October 1, 1981, are binding on courts of the Eleventh Circuit. *Bonner v. City of Prichard, Ala.*, 661 F.2d 1206, 1207 (11th Cir. 1981).

⁵ Unsurprisingly, recent decisions of courts in this District and Circuit cite this bedrock principle. *E.g.*, *City of S. Miami v. Desantis*, 2020 WL 7074644, at *5 (S.D. Fla. 2020) (Bloom, J.) (“Generally, a party must object to preserve error in the admission of testimony, even when a party or a court violates an *in limine* ruling.”); *Vigneulle v. Tahsin Indus. Corp., USA*, 2019 WL 4409220, at *1 n.1 (N.D. Ala. 2019) (same).

⁶ The Estate is familiar with such tactics. At the conclusion of discovery, plaintiffs asked the Court to impose sanctions, arguing that not all documents were produced. The Court denied this request, stating that “[p]laintiffs don’t get to sit on their hands for months, wait for discovery to conclude, and then ask the Court to [sanction] [D]efendant because they believe [D]efendant failed to produce all the evidence to which they were entitled.” D.E. 595 at 39 (brackets in original).

Motion at 6-7. So what? Nothing stopped it from proffering that evidence. The time for plaintiff to have made any such arguments was at trial, after timely objections on the record—not a month after the trial ended. *E.g.*, *Collins*, 621 F.2d at 785 (“Had plaintiffs’ counsel promptly objected to the violations of the motion *in limine* in this case, the trial court could have either avoided the violations or given an instruction to cure any harm suffered by the plaintiffs.”). Moreover, the Estate *actually did introduce much of that “evidence” at trial*,⁷ and some of it could not have been introduced at trial because it violated the Court’s discovery deadlines.⁸

One need not look hard to find cases where courts in the Eleventh Circuit have denied motions for new trial in circumstances such as those the Estate claims existed here.⁹ In *Frederick v. Kirby Tankships, Inc.*, the court excluded certain video testimony in ruling on a motion *in limine*, yet the plaintiff “played [] videotaped testimony without excising the testimony on the spilled oil, and thus, the jury heard the inadmissible evidence.” 205 F.3d 1277, 1285 (11th Cir. 2000). The Eleventh Circuit affirmed denial of a new trial motion, because the defendant “did not make a timely objection” by “not object[ing] until after the videotape testimony was played.” *Id.*

Similarly, in *ML Healthcare Servs.*, the defendant solicited testimony “inconsistent with the contours of the district judge’s limited ruling” on a motion *in limine* to limit evidence regarding collateral sources. 881 F.3d at 1304–05. The Eleventh Circuit held that this did not “constitute reversible error,” because “Plaintiff did not object when the statements were made at

⁷ The Estate claims it would have introduced evidence that “Ira Kleiman was very often in touch with David Kleiman while the latter was in the hospital,” but Ira Kleiman *did testify to that* at trial. Motion at 6; *cf.* Trial Tr. Day 3 at 150:5-25 (Although Thanksgiving 2009 was his “best memory of last seeing [David],” he “may have seen him other times after that.”); Trial Tr. Day 4 at 23:13-17 (testifying that Thanksgiving 2009 was not the last time he spoke to David). Plaintiff also argues that it would have highlighted “David’s decision to make Ira the sole beneficiary of his estate [and] his personal representative,” but Ira Kleiman testified to those facts on direct examination. Motion at 11; *cf.* Trial Tr. Day 3 at 35:5-23.

⁸ The Estate claims it would have introduced call logs (P721) showing that Ira and David Kleiman spoke many times when David was in the hospital. This assertion is false. Plaintiffs could not have introduced any such call logs because they never produced them in discovery. *See* email from Z. Marco to J. Delich attached as **Exhibit A** (confirming that P721 was first produced on August 11, 2021); D.E. 382 (“[A]ll discovery, including fact and expert discovery, shall be completed” by May 1, 2020.).

⁹ This next argument assumes *arguendo* that the Order on the Motion *in Limine* was “violated,” which Dr. Wright does not concede. As demonstrated above, the questions at issue were not asked for an improper purpose.

trial, as required to preserve the issue for appeal under Federal Rule of Evidence 103.” *Id.* at 1305 (citing *U.S. v. Wilson*, 788 F.3d 1298, 1313 (11th Cir. 2015)). Finally, in *Younger v. Experian Info. Sols., Inc.*, the district court granted a motion *in limine* excluding evidence of “other lawsuits, verdicts, investigations, complaints or similar actions” 2019 WL 1296256, at *4 (N.D. Ala. 2019), *aff’d in part, vacated in part and remanded*, 817 F. App’x 862 (11th Cir. 2020). At trial, plaintiffs introduced an “Assurance of Voluntary Compliance” that the defendant had entered into with 31 states’ attorneys general. *Id.* at *3. The court denied defendant’s new trial motion because defendant “did not cite the order *in limine* as grounds for objection until after the close of evidence, at a sidebar during Plaintiff’s closing argument.” *Id.* at *5. If a sidebar during closing argument is too late, the Estate’s motion 28 days after trial surely is, too.

2. *Questions are Not Evidence*

Having disposed of the five questions that plaintiff never objected to, we now turn to three questions as to which the Court *sustained* plaintiff’s objections, as to which no answers were given and no evidence adduced:

Q. Let me restate the question. The last time you saw your brother in person was in 2009?

MR. BRENNER: Your Honor, just renew the objection from yesterday on this issue.

THE COURT: I’m sorry. The objection is?

MR. BRENNER: It violates an order of the Court.

THE COURT: Sustained.

Motion at 4 (emphasis added) (citing Trial Tr. Day 4 at 23:20–24:1).

Q. Mr. Kleiman, before I come back to these email exchanges between your brother and Craig Wright, I just want to talk with you about one other subject and that is your telephone communications with David Kleiman. Would you agree with me that between March 12 and April 7th, 2013, on the cell phone at least, you spoke with David Kleiman six times?

A. What time again?

Q. This is between -- this is in the last year, the last 13 months of your brother’s life.

MR. BRENNER: Objection, Your Honor. Subject to court order.

THE COURT: The objection is sustained.

MR. RIVERO: I’ll move on.

Motion at 5-6 (emphasis added) (citing Trial Tr. Day 5 at 68:7–21).

MR. RIVERO: Judge, it’s the absence of voice mails and that is highly relevant.

MR. BRENNER: Yeah, Judge. And also, understand, subject to the

Court's order, too.

THE COURT: Yeah. That's where -- the objection is sustained.

Motion at 6 (emphasis added) (citing Trial Tr. Day 5 at 70:16–21).

These three (unanswered) questions cannot be grounds for a new trial because *questions are not evidence*.¹⁰ As the Court instructed the jury on the first day of trial:

[T]he lawyers' questions and objections are not evidence. Only the witnesses' answers are evidence. Do not decide that something is true just because a lawyer's questions suggests it is. For example, a lawyer may ask a witness: "You saw Mr. Jones hit his sister, didn't you?" That question is not evidence of what the witness saw or what Mr. Jones did, unless the witness agrees with it.

Trial Tr. Day 1 at 174:18–24 (emphasis added).

Further, because the Court *sustained* objections to these three questions, there could be no "error" here, because *no evidence was admitted*. This is expressly stated in the advisory committee's note to Fed. R. Evid. 103's 2000 amendment:

Even where the court's ruling [on a motion in limine] is definitive, nothing in the amendment prohibits the court from revisiting its decision when the evidence is to be offered. If the court changes its initial ruling, or if the opposing party violates the terms of the initial ruling, objection must be made when the evidence is offered to preserve the claim of error for appeal. **The error, if any, in such a situation occurs only when the evidence is offered and admitted.**

Fed. R. Evid. 103 advisory committee note to 2000 amendment (emphasis added) (citing *United States Aviation Underwriters, Inc. v. Olympia Wings, Inc.*, 896 F.2d 949, 956 (5th Cir. 1990); *Roenigk*, 810 F.2d at 809). *Accord ML Healthcare Servs.*, 881 F.3d at 1305 ("The error, if any, in such a situation occurs only when the evidence is offered and admitted."); *Scott v. Dunnam*, 2016 WL 1452413 (S.D. Ga. 2016) (new trial not warranted where counsel violated prior order by asking "plaintiff whether he loves his children, including and especially one of his daughters," because the "Court interrupted defense counsel's line of questioning before any improper evidence or comment could be presented to the jury.").

Further, the Court also instructed the jury that "when I sustain an objection to a question, **you must ignore the question** and not guess what the answer might have been." Trial Tr. Day 1

¹⁰ Further, those questions didn't even implicate the Order on the Motion *in Limine*. Their purpose was not to show that the brothers were estranged, but to show that David Kleiman was not working on Bitcoin and the Thanksgiving 2009 story was untrue, because the brothers never again spoke about Bitcoin and there were no references to it in David Kleiman's voicemails.

at 175:9–11 (emphasis added). And “[w]e always presume that a jury follows its instructions.” *U.S. v. Colston*, 4 F.4th 1179, 1192 (11th Cir. 2021); *U.S. v. Brown*, 983 F.2d 201, 203 (11th Cir. 1993) (“[J]uries can be trusted to follow the trial court’s instructions.”). As such, to the extent an attorney’s questioning could constitute “error” (it can’t), any such error was cured by the Court’s instruction that the jury should disregard questions when an objection is sustained. *U.S. v. Gallardo*, 977 F.3d 1126, 1138 (11th Cir. 2020) (“When the district court gives a curative instruction, we presume that the jury followed it.”).

3. The Court Had the Power and Discretion to Overrule Plaintiff’s Objections

Lastly, plaintiff argues that the Court “violated” its Order on the Motion *in Limine* when it overruled plaintiff’s objections to two questions Dr. Wright’s counsel asked at trial, as follows:

Q. All right. You spoke very little -- if I remember correctly, the only thing you commented on in the period between 2008 and April of 2013 is Thanksgiving Day 2009; isn’t that right?

A. Yes.

Q. Okay. And that was a -- that was November 26th, 2009, right?

A. Correct.

Q. Okay. And you know that date because that’s the last day you saw your brother in life, correct?

MR. BRENNER: Objection. May we approach?

MR. RIVERO: Judge, I’ll --

THE COURT: The objection is overruled at this point.

BY MR. RIVERO:

Q. Sir?

A. I’m not exactly certain if that’s the very last day. But that’s the -- I guess the best memory of last seeing him. I may have seen him other times after that, but I just don’t recall it.

Q. Sir, your testimony under oath and your best memory is that that was the last day you saw your brother in life, is it not?

MR. BRENNER: Same objection, Your Honor.

THE WITNESS: Like I said, I’m not certain that that was --

THE COURT: The objection is noted. It’s overruled at this point.

THE WITNESS: I could have possibly seen him other days.

Motion at 3-4 (emphasis added) (citing Trial Tr. Day 3 at 149:22–150:24).

Even if those questions had been inconsistent with the interlocutory Order on the Motion *in Limine* (they were not, as we demonstrate below), that Order was interlocutory and subject to revision and reversal at any time throughout trial. *E.g., Lopez v. Allstate Fire & Cas. Ins. Co.*, 2015 WL 11216748 (S.D. Fla. 2015). The Court, which had discretion to decide a category of

exclusion on the Motion *in Limine*, necessarily had discretion to decide “the relevance and admissibility of any given piece of evidence” when offered at trial. *ML Healthcare Servs.*, 881 F.3d at 1297. The Order was interlocutory and subject to modification throughout trial, particularly as to individual pieces of evidence. *Lopez*, 2015 WL 11216748, at *1; *Stewart v. Hooters of Am., Inc.*, 2007 WL 1752873, at *1 (M.D. Fla. 2007) (“A Motion *In Limine* presents a pretrial issue of admissibility of evidence that is likely to arise at trial, and as such, the order, like any other interlocutory order, remains subject to reconsideration by the court throughout the trial.”).

Thus, the Court plainly had discretion to overrule plaintiff’s two objections in light of the evidence that had been introduced, and decide that those two questions did not upset the balancing test of Rule 403, even if that might have amounted to a “modification” of the Order (it did not). *E.g., Ins. House*, WL 10670469, at *2 (“A district court may adjust its ruling on a motion *in limine* during the course of the trial.”). In fact, plaintiff already had “violated” the Order by introducing self-serving evidence of the brothers’ relationship when it had Ira Kleiman testify on direct that David Kleiman had appointed him as his personal representative and left the proceeds of the estate to him. *See, e.g.*, Trial Tr. Day 3 at 35:5-23.

Further, the purpose of these two questions was not to elicit testimony that would have violated the Order. On direct, Ira Kleiman had testified that at a 2009 Thanksgiving dinner, his brother purportedly said he was working on a digital currency with a wealthy foreigner, and drew a “logo” of a B with one line through it. This logo did not exist as of Thanksgiving 2009, and it was essential to Dr. Wright’s defense to call that testimony into doubt, because *this was only time that David Kleiman allegedly told anybody that he was working on Bitcoin*. Thus, by having Ira Kleiman confirm that Thanksgiving 2009 was the last time he saw his brother, Dr. Wright sought to prevent him from modifying his testimony and claiming that his brother drew the purported Bitcoin logo at a later date. Accordingly, the questions objected to were asked for a proper purpose, not to improperly influence the jury, and did not “violate” the Order.

Moreover, the testimony that was elicited actually *demonstrated the existence of a relationship (and not estrangement) between the brothers*. In response to both questions, Ira Kleiman testified that he might have seen his brother at other times and days, after the 2009 Thanksgiving dinner. Trial Tr. Day 3 at 150:12-15, 23-24. Accordingly, the evidence that actually was admitted favored the Estate and did not run afoul of the Order, *which was aimed at*

excluding testimony showing that the brothers were estranged. Order at 13-16. Finally, plaintiff failed to move to strike the answers to these two questions, or to move for a curative instruction, evidently waiting for an adverse verdict to decide to argue that they were somehow unduly prejudicial.

B. Even if Plaintiff Could Have Demonstrated Any Error in Admitting the Answers to Two Questions to Which It Objected at Trial, or the Answers to Five Questions to Which It Did Not Object, or as to Three Questions Where its Objections Were Sustained, Such Error Would Have Been Harmless, and a New Trial Never Could be Ordered

Plaintiff demands a new trial based on purported prejudice resulting from ten questions at trial. It waived claiming error as to five of them by failing to object at trial. Its objections to three other questions were sustained, so they weren't answered, and questions are not evidence. That leaves two questions as to which plaintiff's objections at trial were overruled, which were then answered, after which plaintiff neither moved to strike nor asked for a curative instruction. Even assuming *arguendo* that the Court (impossibly) abused its discretion by admitting answers to two questions over plaintiff's objections and five others where plaintiff sat on its hands, or by *sustaining* plaintiff's objections to three questions that *were not* answered, such error could not have been more than harmless.

However, to protect the record and avoid waiver, much like making a timely objection at trial to the admission of evidence, we next demonstrate the lack of merit to the Estate's unsupported fable of purported prejudice from the ten questions.¹¹ Plaintiff's new trial motion may not be granted unless it demonstrates that (1) the district court committed error that (2) affected plaintiff's substantial rights or caused substantial prejudice, so that (3) the error was not merely harmless. *Vanguard Research, Inc.*, 378 F.3d at 1162; *Scott*, 2016 WL 1452413 at *4. We demonstrated above that no error occurred, but even assuming *arguendo* that plaintiff's

¹¹ We again note that there can be no error in the Court's *sustaining plaintiff's objections* to three of the ten challenged questions, because questions are not evidence. If plaintiff had been concerned about "prejudice" from questions, it could have moved to strike them. It wasn't and didn't. It also could have moved to strike the answers to the seven questions that were answered, but didn't do that either. It also failed to ask for a curative instruction. Plaintiff's conduct at trial demonstrates that no substantial prejudice could have resulted from the questions or the answers, because plaintiff was oblivious to such alleged consequences until *weeks after* the verdict was rendered.

motion had identified any “error” regarding its ten challenged questions, such error would have been harmless.

Plaintiff’s motion did not identify any substantial right¹² that could have been prejudiced by the ten questions or answers to seven of them, did not demonstrate that they were a point of emphasis at trial, let alone that they affected its outcome. No substantial prejudice could have occurred, even assuming *arguendo* that there was error (there wasn’t) as to the ten questions.

1. *Even Assuming Arguendo That It Could Have Been Error to Admit Answers to Seven Of The Ten Challenged Questions, The Evidence Was Cumulative and Any Error Would Have Been Harmless*

Even assuming *arguendo* that it could have been an abuse of discretion to admit answers to seven of the ten questions (it plainly wasn’t), the improper admission of cumulative evidence is harmless. *E.g., Coughlin v. Capitol Cement Co.*, 571 F.2d 290, 307 (5th Cir. 1978). Here, there was extensive other evidence in the record (some proffered by plaintiff) of a limited relationship between the brothers. *E.g., Brough v. Imperial Sterling Ltd.*, 297 F.3d 1172, 1179 (11th Cir. 2002) (Any error in admitting evidence of the parties’ wealth was harmless “because there was a considerable amount of admissible evidence at trial allowing the jury to determine that both ISL and Levy were wealthy parties.”); *Lockley v. Deere & Co.*, 933 F.2d 1378, 1389 (8th Cir. 1991) (Counsel’s statement about defendant’s sales did not support a new trial where “Deere is a well-known national company, [and] the jury was probably already aware of the wealth disparity between the parties.”); *Mahaska Bottling Co., v. PepsiCo*, 2020 WL 10506243, at *9 (S.D. Iowa 2020), *aff’d sub nom, Mahaska Bottling Co., v. Bottling Grp., LLC*, 6 F.4th 828 (8th Cir. 2021)

¹² The failure to exclude evidence under Rule 403 does not implicate substantial rights. In *Bronzino v. Dunn*, the defense improperly suggested “character evidence” and “propensity reasoning” in its opening statement, by arguing that:

[Plaintiff is] not a good man. He has a criminal record. He has no real source of income. Tenth grade dropout. He said that he worked for somebody. He says he worked for somebody, but didn’t file income tax for seven years. . . . You have to look at the credibility of [the plaintiff]. He doesn’t reveal the truth to his doctors. He’s a harden[ed] criminal. Let’s face it. He’s an armed robber[]. He’s a drug dealer. The facts show—the evidence will show that he has not learned his lesson. He’s still dealing drugs.

558 F. App’x 613, 617–18 (6th Cir. 2014). On appeal, the Sixth Circuit held that this improper diatribe did not violate the plaintiff’s substantive rights. *Id.* This is a strict standard that the Estate could not satisfy, even if there actually had been any error regarding the ten questions.

("[C]ounsel's references to PepsiCo's size did not cause prejudice to PepsiCo. PepsiCo's prominence in the food and beverage industry is public knowledge, and the jury could easily infer from other evidence at trial that PepsiCo was a large, multinational firm.").

Despite testifying for an entire day on direct examination, Ira Kleiman never said anything about seeing his brother during David's lifetime—except for the 2009 Thanksgiving dinner. He also did not testify to visiting his brother in the hospital. This lack of testimony demonstrated that they were not close. Further, Ira also volunteered testimony that they never discussed David's lengthy hospitalizations and health issues, as one would reasonably expect brothers to do:

Q. Your brother knew that he was not in good health?

A. He didn't really have those kind of discussions with me.

I'm not exactly sure – you know, he didn't mention specifically like what kind of health condition he was in.

Q. Your brother was hospitalized almost every day of the last two years of his life in the VA hospital here in Miami, was he not?

A. Yes. But I'm just saying he didn't really discuss that kind of stuff with me.

Trial Tr. Day 3 at 176:18–177:1.

In stark contrast, David Kleiman's best friend, Kimon Andreou, testified that he visited David daily in the hospital and spoke to him every day. He also testified at length about their text messages, which discussed David's personal life, including his health issues. Trial Tr. Day 12 at 99:3–16; 110:6–19. The marked contrast in testimony was obvious and compelled the reasonable conclusion that the brothers had a limited relationship.¹³ As such, even if there had been any error in admitting the seven answers to the ten questions (there wasn't), that evidence was cumulative, and any error would have been harmless.

2. *The Verdict As To W&K's Claims Demonstrates That the Jury Did Not Use the Challenged Evidence For an Improper Purpose*

Because the jury awarded no bitcoin-related damages to either of the plaintiffs, its verdict conclusively demonstrates that the allegedly "improper" admission of cumulative evidence

¹³ This is not a case where an order on a motion *in limine* excluded a criminal conviction that would not otherwise be obvious to the jury. The natural import of excluding evidence of the Kleiman brothers' relationship was to influence the jury to conclude that they had no relationship. Further, if plaintiff actually has boxes of admissible evidence showing that the brothers indeed had a close relationship (as they argue in their Motion), it might have been a good idea to introduce that evidence, rather than moving to exclude it.

consistent with Ira Kleiman's own testimony about the brothers' relationship did not prejudice the Estate. Why is this? First, the Estate argues that this evidence only could have affected the Estate, on the theory that Dr. Wright's "counsel's comments and questions on the sibling relationship targeted the Estate, not W&K." Motion at 9. As such, whether the so-called "relationship evidence" had any effect on the outcome can be assessed by comparing the verdicts for the two plaintiffs.

The jury awarded no bitcoin-related damages either to the Estate or to W&K, and if plaintiff's "relationship evidence" theory were correct, W&K should have recovered such damages even if the Estate did not. This means there must have been something other than the "relationship evidence" that caused the jury to reject all of W&K's bitcoin-related damages claims.¹⁴ No speculation is necessary, however, because the Law 360 article the Estate relies on¹⁵ suggests that plaintiffs failed to prove David Kleiman was a bitcoin miner, much less a bitcoin coder, and this failure of proof applied equally to the claims of W&K and the Estate:

'They never proved to me without a shadow of a doubt that **he was involved in bitcoin in any way,**' the juror said. **'Everybody said he wasn't a miner, he wasn't a coder.** I just felt like he may have written papers for Dr. Wright, and that's where their friendship was.'

Jurors deliberated for more than a week, as the two holdouts in Kleiman's camp pored through all the evidence, according to the juror.

'They finally realized there was no positive connection with bitcoin,' the juror said. **'That's when they agreed that as far as liability towards bitcoin, there was none.'**

Carolina Bolado, *No Proof Bitcoin 'Inventor' Owed Friend, Juror Tells Law360*, Law360 (Dec. 23, 2021), <https://www.law360.com/articles/1451020/no-proof-bitcoin-inventor-owed-friend-juror-tells-law360> [D.E. 861-7 at 1] (emphasis added). In short, the jury awarded no bitcoin-related damages to the Estate because it failed to prove its claims, not because jurors

¹⁴ It wasn't for plaintiffs' lack of trying that the jurors rejected W&K's bitcoin-related claims. The trial transcript is littered with plaintiffs' assertions that W&K mined bitcoin. *E.g.*, Trial Tr. Day 2 at 156:18-157:10; Trial Tr. Day 3 at 43:8-44:8, 78:2-10, 81:4-15, 91:8-23, 92:7-93:1, 94:22-95:19, 175:13-15; Trial Tr. Day 5 at 160:21-161:25.

¹⁵ News articles are not grounds for overturning a jury verdict. *U.S. v. Blackwell*, 459 F.3d 739, 769-70 (6th Cir. 2006); *U.S. v. Salesman*, 2010 WL 1855848, at *1 (S.D. Fla. 2010). However, if and to the extent the Court even considers the article, it should be considered in assessing Dr. Wright's Opposition as well as plaintiff's Motion.

wanted to punish Ira for “abandon[ing] his brother in his time of need,” in purported “violation” of an interlocutory order on a Motion *in Limine*. See D.E. 512 at 7; D.E. 623 at 15.¹⁶

C. The Cases the Estate Relies on are Wholly Inapposite

Throughout its Motion, plaintiff makes scurrilous personal attacks and unfounded claims of “counsel misconduct.” This shameful tactic includes urging the Court to rely on irrelevant decisions such as *McWhorter v. City of Birmingham*, 906 F.2d 674 (11th Cir. 1990) (cited nine times in the Motion), *Christopher v. Florida*, 449 F.3d 1360, 1365 (11th Cir. 2006) (cited five times in the Motion), and *Goodman v. Safeco Ins. Co. of Illinois*, 2015 WL 898696 (M.D. Fla. 2015) (cited four times in the Motion). In every one of those cases, counsel urged the jury to consider impermissible evidence for an improper purpose during closing argument.¹⁷

Even assuming *arguendo* that the Court abused its discretion by improperly admitting evidence here (which did not and could not have happened), Dr. Wright’s counsel never urged the jury in closing argument to consider such evidence for an improper purpose (e.g., that it should not award the Estate damages because Ira Kleiman was undeserving). *Accord ML Healthcare Servs., LLC*, 881 F.3d at 1306 (affirming judgment because “Defendant did not

¹⁶ The Estate relies on a cryptic sentence from the Law 360 article, but that sentence does not support its argument that the jurors used any so-called “relationship evidence” for an improper purpose. The juror is quoted as saying: “‘In three years he didn’t go to the hospital?’ . . . ‘That clouded my view as far as what the actual record stated.’” Motion at 8. The juror did not say that he or she punished Ira Kleiman for not visiting his brother in the hospital (which might have been improper). Instead, the juror said only that it “clouded [his or her] view” of the record. In other words, this juror may have discounted the probative value of certain unidentified evidence. For example, the juror might properly have discounted the value of Ira Kleiman’s “relationship” testimony that his brother broke a purported vow of silence at Thanksgiving 2009 to tell him about a secret Bitcoin project he was working on, when he never did so when his best friend visited him daily in the hospital (which would have been a proper use of the testimony).

¹⁷ In *McWhorter*, the improper purpose was to show that the plaintiff’s firing was retaliatory, which is what plaintiff’s counsel did in closing, arguing that plaintiff’s failure to participate in a lawsuit “[was] the motive for all of this . . . Let’s fire Hank.” 906 F.2d at 676. In *Christopher*, the improper purpose was inviting a violation of defendant’s qualified immunity by arguing that defendant could be liable for anything other than a blow to the head, which plaintiff’s counsel did in closing, arguing that the defendant could be liable for other injuries and plaintiff need not “prove a specific blow to the head.” 449 F.3d at 1365-66. In *Goodman*, the improper purpose was invoking sympathy for a co-plaintiff injured in a car accident in order to find insurance coverage. That is exactly what plaintiff’s attorney did in closing, arguing that the insurer was trying to cheat Goodman and that “I hope that you find Goodman’s injuries are worthy of compensation.” 2015 WL 898696, at *4.

directly argue that the jury should diminish any damages []; it only provided the context of ML Healthcare’s payment arrangement and implied that ML Healthcare, rather than Plaintiff, was at risk in the lawsuit.”); *Cox v. Target Corp.*, 351 F. App’x 381, 383 (11th Cir. 2009) (“[T]he court did not abuse its discretion in denying [plaintiffs’] motion for a new trial” because, although defendant introduced evidence that plaintiff had sued over a “previous fall at another retail store,” defendant “did not violate the court’s order by suggesting that Cox was litigious.”); *Younger v. Experian Info. Sols., Inc.*, 2019 WL 1296256, at *5 (N.D. Ala. 2019), *aff’d in part, vacated in part and remanded*, 817 F. App’x 862 (11th Cir. 2020) (distinguishing *McWhorter* because there, “plaintiff’s counsel spoke to this [impermissible] theory during closing” and “encouraged the jury to consider [the impermissible] exhibit corroborating that theory”).

Further, in the cases plaintiff travels on, there was no proper use for the evidence at issue, and it could only be (and was) used to invite the jury to decide the case on an improper basis. *E.g.*, *Goodman*, 2015 WL 898696, at *4 (Counsel’s “statement encouraged the jury to decide the case not on the merits, but on the idea that the insurance company would be cheating an innocent and injured third party. It had no probative value, invited the jury to ignore the law, and was highly prejudicial.”). In contrast, here there were a number of proper purposes for the challenged evidence, including establishing the date and implausibility of the Thanksgiving dinner story, when David Kleiman died, when the Estate was opened, and Ira Kleiman’s lack of personal knowledge as to David Kleiman’s finances.

Moreover, in the cases plaintiff cites, the improper evidence and argument were central to the case and likely to influence its outcome. *See, e.g.*, *XTec, Inc. v. Hembree Consulting Servs., Inc.*, 183 F. Supp. 3d 1245, 1271 n.15 (S.D. Fla. 2016) (distinguishing *McWhorter* because the “inadmissible facts were central to the case—evidence that the defendant fired the plaintiff because he refused to cooperate with the defendant in an ongoing lawsuit.”). Here, the central issue for the jury in plaintiff’s case was whether there was an oral partnership between Dr. Wright and David Kleiman to mine bitcoin and develop intellectual property. The purportedly improper evidence regarding David Kleiman’s relationship with his brother had no direct connection to those central issues.

Finally, in plaintiff’s cited cases there was no effective jury instruction to counter an impermissible closing argument (which didn’t even occur here). In *McWhorter* and *Goodman*, the court gave no curative instruction, and in *Christopher* the jury instruction was ineffective

because it did not instruct the jury that they should not consider the improper argument. *See* 449 F.3d at 1367, n.8 (The ineffective jury instruction “was only one sentence: ‘Plaintiff claims that one of the Defendants struck him on the head, causing injury,’” and “did not express that liability had to be tied to Plaintiff’s establishing by evidence that he had suffered a blow to the head.”). Here, in marked contrast, the Court issued multiple jury instructions to counter any purportedly impermissible evidence. The Court instructed the jury as follows:

Your decision must be based only on the evidence presented here. You must not be influenced in any way by either sympathy for or prejudice against anyone.

You must decide the case solely on the evidence and the law before you and must not be influenced by any personal likes or dislikes, opinions, prejudices, sympathy, or biases.

Trial Tr. Day 15 at 20:9–11; *Id.* at 44:12–15. Thus, there was little risk that the jury would use the evidence for an improper purpose. *See Cephus v. CSX Transp., Inc.*, 771 F. App’x 883, 895 (11th Cir. 2019) (It was not an abuse of discretion to deny new trial motion, because “although we find that counsel’s remarks were improper,” the “district court did instruct the jury before its deliberations that it “must not award any damages by way of punishment or through sympathy.”).

Thus, plaintiff’s principal cases are inapposite and easily distinguished.¹⁸ Instead, the Court should apply and follow the binding Eleventh Circuit decisions in *Frederick*, 205 F.3d

¹⁸ Plaintiff’s other cited cases also are inapposite and irrelevant. *See Aetna Cas. & Sur. Co. v. Gosdin*, 803 F.2d 1153, 1156 (11th Cir. 1986) (no proper use for statement that defendant “faced charges of pimping, pandering, possession of drugs, and distribution of drugs”); *U.S. v. Trujillo*, 714 F.2d 102, 105–06 (11th Cir. 1983) (counsel encouraged jury to ignore the law); *In re Engle Cases*, 2009 WL 9119991, at *18 (M.D. Fla. 2009) (same); *Soltero v. Swire Dev. Sales, Inc.*, 2010 WL 11506701, at *11 (S.D. Fla. 2010) (Plaintiff improperly referred “to the assets or wealth, of the other Swire entities,” arguing that “even \$10 million in punitive damages is chickenfeed to Swire.”); *Castle v. Thompson*, 2010 WL 11507513, at *6 (N.D. Ga. 2010) (Plaintiffs repeatedly introduced evidence on claims where “[d]efendants had already received summary judgment, impermissibly expanding the scope of the case.”); *O’Rear v. Fruehauf Corp.*, 554 F.2d 1304, 1307–08 (5th Cir. 1977) (After assuring the court “four times” that “he would not bring up [the impermissible purpose] in his final argument,” counsel did so.); *Adams Lab., Inc. v. Jacobs Eng’g Co.*, 761 F.2d 1218, 1220 (7th Cir. 1985) (Plaintiff “violated an earlier district court order prohibiting any mention of [plaintiff’s] financial plight” by arguing in opening that plaintiff was “a small company with little wealth in comparison to the stature and wealth that [the defendant] enjoyed in the industry.”); *Brown v. Royalty*, 535 F.2d 1024, 1026–27 (8th Cir. 1976) (After the court excluded evidence that defendant never received a ticket, in closing argument, defendant argued that “there was no evidence that [the defendant] had been guilty of negligence, that he had violated an ordinance or anything of the sort.”).

1277, *ML Healthcare Servs.*, 881 F.3d 1293, and *Cox*, 351 F. App'x 381, in rejecting plaintiff's motion.

At bottom, even assuming *arguendo* that the Court somehow abused its discretion in allowing answers to five questions to which plaintiff didn't object, three questions that were not answered because it sustained plaintiff's objections, and answers to two questions where it overruled plaintiff's objections, plaintiff could not (and did not) show that any of this evidence was used for an improper purpose, let alone that the admission of this evidence affected plaintiff's substantial rights or caused it substantial prejudice. Any hypothesized error here was plainly harmless, and plaintiff's motion should be denied. *Vanguard Research, Inc.*, 378 F.3d at 1162.

III. CONCLUSION

Just as the Court had discretion to use the administrative convenience of an interlocutory order on a motion *in limine* to exclude a category of evidence under Rule 403, it had *a priori* discretion to determine the admissibility of the particular challenged evidence when it was offered at trial, whether that be characterized as *ad hoc* balancing under Rule 403 or a "modification" of the Court's interlocutory Order. The Court plainly did not abuse its discretion in dealing with plaintiff's ten challenged questions, and did not commit any error. But even if any error had been committed, it was harmless, because it did not affect plaintiff's substantial rights or cause substantial prejudice. In sum, and for all of the good and sufficient reasons stated above, the Court should deny the Estate's motion for a new trial.

Dated: January 18, 2022

Respectfully submitted,

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CERTIFICATE OF SERVICE

I CERTIFY that on January 18, 2022, I electronically filed this document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ Andres Rivero

TAB 878-3

P-172

Case No. 9:18-CV-89176-BB

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AUSTRALIAN TAXATION OFFICE

RECORD OF INTERVIEW

INTERVIEWER: GREG O'MAHONEY

INTERVIEWEE: CRAIG Wright

CONDUCTED AT: ATO OFFICE

DATE: 11 AUGUST 2014

TIME:

**TRANSCRIBED BUT NOT RECORDED BY
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Wright 11.08.14

Transcript Sensitive

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Interview conducted with Craig Wright

On the 11th August 2014

Australian Taxation Office

INSERT CORRECT ADDRESS

5 Interviewers: Greg O'Mahoney, Andrew Sommers.

O'Mahoney 10 Thank you. I will start with the formalities. I think the interview of Dr Wright, it's informal, notwithstanding that it's been recorded and it's set down for two afternoons – today 11 August and 18 August. I can indicate, Dr Wright – and don't hold me to this – but the way I was envisaging approaching the interview was to, today, deal with matters on a fairly high level and then next week take up some more discrete lines of questioning about some of the matters touched on today. And, I guess, to start, the first question turns on your 15 background and experience. Would you mind telling us a little bit about your commercial background and experience?

Wright Commercial or medical or generally?

O'Mahoney Well, let's start with academic and move to the commercial.

Wright 20 Basically, I have been in university since I left high school. I collect qualifications. Currently, I have around 200 vocational qualifications in my particular field, plus a number that aren't. Double digits on degrees. I'm qualified in everything from IT law and economics to the main areas I'm involved in which is IT, so programming, photography, security, whatever else. I'm the only person globally to have achieved a GSE through all three different 25 streams – GSE being Global Security Expert from the SANS Institute, GSE being considered generally the highest security certification you can get. In those other SANS ones, at one stage I had every single qualification. I haven't maintained every single one of them because they're not all relevant anymore, and there's only so much time that I can actually work and do other things with. 30

Also qualified in things like statistics. My paper – my master's was analysis; basically looking at time series, time series in economic markets and whatever else, predictions and monitoring data to do with economic systems. In economics, it's to do with banking finance and monetary policy. 35 IT generally, I started programming predominantly in C and Assembly. Also do Java and other languages but I still prefer C and other such languages. I'm qualified in a number of operating systems, everything from Windows and whatever else were also taught, up to post graduate level. I stopped that recently as the time over the last year with everything hasn't allowed me to. 40 Once we get everything sorted, apart from businesses or business, I will also get back to teaching electric.

I present at a number of international conferences. I have presented such as neural networking, artificial intelligence. That's what most of my research at the moment is looking in the commercialisation of agents, the small bits of 45 software code designed to a task. The way I do those is looking at evolutionary systems and these are things like swarm particles – PSOs where you have lots of small bits of code that compete, and the nature of that is to have a system where the surviving code gets more resources if it's better at

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doing a particular task, and then each of the other bits of code – so over large volumes of energy and a set of problems that are mathematically infeasible, doing mathematics so things like travelling salesman problems and online contracting and that sort of thing.

5 So the idea is to gather all the things into a block chain and other such mechanisms so that you can have a smart contract where it is effectively infeasible to get out of things as long as the contract is set up correctly beforehand. It also allows a non-debt-leveraged type of system so that you have, I guess, the use of money where you can guarantee that there is a, frankly, non-fraudulent use of bank funds. That is, a bank can't lend what it doesn't actually have in capital or investment, etcetera, so the current issue we all have in our banking system, people basically take money – a loan out for something such as someone going on a holiday or whatever else, which is fine if you are doing capital invested in the bank itself, but when you are taking that leverage past the bank, there's no decent scrip that the bank can sell. So 10 part of the idea of what we are doing in a block chain is then taking that, so that you actually have to have a real contract with real asset bases and investors in the bank can lose money, and when they do that, but not a good 15

20 O'Mahoney Can I – can we just pause there and perhaps have a little bit – to some extent we've anticipated some questions that I will be asking you. Just getting back to your university qualifications, you said that you had hit double digits. Can you tell us which degrees you have graduated in?

25 Wright Masters in Law, Masters in Statistics, IT Masters in Networking Systems Administration, IT Masters in – Master of Science - - -

O'Mahoney Are they all from the same university?

Wright No.

O'Mahoney No. So - - -

Wright Some US, some Australian, some British.

30 O'Mahoney Okay. The Masters of Law?

Wright Northumbria, UK.

O'Mahoney Okay. And the Masters of Science?

Wright That's SANS Institute, USA.

O'Mahoney And the Masters of Statistics?

35 Wright Newcastle.

O'Mahoney And, I think, did you say Masters of Systems - - -

Wright Administration?

O'Mahoney Yes.

Wright Charles Sturt University. I got a number at Charles Sturt University.

40 O'Mahoney All right. Any other degrees in universities?

Wright Sorry?

O'Mahoney Any other degrees in universities?

Wright Yes.

O'Mahoney Which ones?

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5 Wright Well, in theory I have finished my second degree and second doctorate, PhD, from Charles Sturt University but I have to actually send in the bound document. So I have got the pass and whatever else but I have to pull my finger out and get it printed and whatever else, but I have got the, you know, pass type of thing. I have got weird and wonderful things. I got church – so I've got theology; I have got – that is really

O'Mahoney No.

10 Wright I've got Masters in Networking Systems Administration; Master of Information Systems Security.

O'Mahoney Where was that from?

Wright Charles Sturt University.

O'Mahoney That's fine. If you think of more as we go through, just mention them to us.

Wright There's quite a number. Unfortunately, I forget how many I've actually got.

15 O'Mahoney But to have some – to get some picture of your career profile, it sounds like you have been in and out of university, if you like, and studying for a substantial part of your life.

Wright Until recently, I have never been out of university.

O'Mahoney All right. More in than out.

20 Wright And worked and been in uni at the same time.

O'Mahoney Yes. Okay.

Wright Well, since I first end of the 80s, 90s, I have just been in university.

O'Mahoney What was your first job?

Wright My first job?

25 O'Mahoney Yes.

Wright I was – well, did you want before I left uni or - - -

O'Mahoney Upon graduating from your first university degree?

Wright That would be after the air force and that would be, thus, when I went to WPA; that then became Corporate Express. WPA, I was a system administrator doing logistics and all the systems computers that valuable so they also had me doing logistics work.

30 O'Mahoney And did you have a number of positions within, sort of, the systems administration over a period of time?

Wright I went from systems administration at Corporate Express to – I headed up the corporate area in OzEmail, when I connections with corporates, so large connections connectivity. From there I went to the Australian Stock Exchange. I was the security manager there. I went basically pursuant Australian Stock Exchange.

35 O'Mahoney When was that?

Wright That was in 1996.

40 O'Mahoney Yes.

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Wright From there, I started a company to do security consulting, etcetera. ASX became one of my first clients. I picked up – I started picking up gambling companies at that stage, some companies else.

5 O'Mahoney Just pausing there, when was it that you first established a company that you ran?

Wright The business was in 1997 and then it was transformed into a company shortly after that.

O'Mahoney Right. Which company was that?

Wright

10 O'Mahoney And since that time, have – more or less, has there been a case that you have been running companies for yourself?

Wright Predominantly, yes.

O'Mahoney And during that time you have been, I think it's fair to say, a director of a number of companies?

15 Wright Yes.

O'Mahoney What, since first – can you remember the time at which you first became a company director – was it around that time, '96,'97?

Wright '98 or something like that.

20 O'Mahoney '98. And since that time, roughly, how many companies would you have been a director of?

Wright Double digits.

O'Mahoney Okay. Double digits. And, at the moment, is your occupation that of company director/entrepreneur/ - how would you characterise your current profession?

Wright So company director in part, entrepreneur, photographer, forensic specialist.

25 O'Mahoney All right. Let's focus in on one of those companies, Coin Exchange. We know that it was incorporated in April of 2013. Was it the case that it traded immediately upon becoming incorporated?

Wright We actually started developing products before it became incorporated.

30 O'Mahoney Okay. Well, if you wouldn't mind, could you tell us a little bit about the circumstances of the incorporation of Coin Exchange.

Wright What do you mean by that?

O'Mahoney How did it come about that Coin Exchange came to be incorporated?

Wright A long-term friend of mine, Dave Kleiman and I, started that so that we could start building an exchange platform, particularly in Australia. We had been developing product etcetera for a number of years beforehand. Dave and I had been friends and sort of partners that way for a long time. We had worked on a number of patents together, everything from using electron microscope to recover data from hard drives that had been wiped, to one-time Windows logins and similar types. We worked on some books together and he acted, well, as my editor myself.

35

40 We had been planning putting together an exchange platform that would allow us or bitcoin. The idea would be to perform an alternative reserve currency, that's what we are trying to do. I have jumped ahead of myself. Probably replacing the US dollar. The idea being that you have exchanges in

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5 different countries, such as Britain, Australia, wherever else. We could use that to instantaneously do forex transactions at immensely low rates and far quicker than the resource at the moment, but also tied to the old title to Smart Property and it would all contracts in reverse researching at the moment is oil contracts and this and that to with automated assistance.

O'Mahoney Okay. We might come to that. You said earlier that you and Mr Kleiman had been developing product for some time.

Wright Yes.

O'Mahoney Prior to the incorporation of Coin Exchange.

10 Wright Yes.

O'Mahoney What – how long have you been working with Mr Kleiman? Were they products that ultimately became the subject of business done by Coin Exchange?

Wright Some of them, yes. Not all.

15 O'Mahoney And how long have they been in the pipeline for?

Wright Since I knew Mr Kleiman.

O'Mahoney And is this the case: that the Coin Exchange was established to corporatise, if you like, ideas that you and he had been working on for a substantial period of time?

20 Wright Certain parts of it, yes, along with bitcoin areas. So we had been working on those sort of areas; I had been doing research into places, into online contracting etcetera, the nomination systems in order to exploit that a lot more than we had been doing at the time - - -

O'Mahoney Was this your first venture with Mr Kleiman.

25 Wright No.

O'Mahoney Well, what other ventures had you done with him?

Wright We were involved with WK Info Defence but I wasn't actually actively managing any of that. Dave ran all that over in the US.

O'Mahoney Can you say that again? WK?

30 Wright WK Information

O'Mahoney Defence.

Wright Research LLC.

O'Mahoney And that was a company that you say Mr Kleiman was running out of the - - -

Wright US.

35 O'Mahoney US. And had you been involved in that company?

Wright I have been involved subsequently. I mean, I was there but day-to-day, not at all.

O'Mahoney When you say you were there, what do you mean by that?

Wright I would do coding, trying to work out solutions to problems that we had.

40 O'Mahoney Were you – was that before founding Coin Exchange?

Wright Yes.

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- O'Mahoney And roughly how long were you there, that is, at the WK Info Defence?
- Wright The exact time we started it, I don't remember, but it was around 2010 some time that we started putting everything together for a 2011 incorporation.
- 5 O'Mahoney And what is it that WK Info Defence, what's its business or enterprise?
- Wright The idea came about because I didn't trust the Tax Office here. I had had a number of run-ins because of Information Defence Australia and Integyrs that I had set up over here. Those companies – well, although I'd spent lots of money and around 500 computers research to bitcoin mining
10 considered by the ATO, so everything I had I moved over at a nominal rate, which was based on what it was worth at the time, into a trust and everything over there because back then I believed bitcoin was worth a lot of money.
- O'Mahoney What was the trust that was established?
- 15 Wright There was one in Panama that I don't have all the details of.
- O'Mahoney What's it called?
- Wright Don't know all the details. I don't know.
- O'Mahoney Or any details.
- Wright I know there's a trust in Panama that's set up.
- 20 O'Mahoney When was that set up?
- Wright In probably '11.
- O'Mahoney And were you involved in establishing it?
- Wright No.
- O'Mahoney Was it set up to your benefit?
- 25 Wright It is set up for the benefit of the research I'm doing.
- O'Mahoney All right. And - - -
- Wright All of this is to fund all the things I'm doing.
- O'Mahoney Okay. I guess, just by way of background, tell us about – we won't hold you to every detail of that trust, but just tell us a little bit about the trust in Panama
30 that was established?
- Wright There was a trust set up to put a number of bitcoin that Dave was mining and everything like that into and maintain, the idea being that we would use that to further the goals we were doing, which were all to do with promotion of bitcoin and cryptocurrencies we have there.
- 35 O'Mahoney So was it the case that the trust in Panama was set up as a funding mechanism?
- Wright For research, yes.
- O'Mahoney And for research that you were doing with Mr Kleiman?
- Wright That Mr Kleiman was doing and myself as well, yes.
- 40 O'Mahoney All right. And you mentioned that courtesy of the experience you had with the tax authorities here, you moved offshore, you moved things offshore. You mentioned the trust in Panama. What other steps did you take to that end?
-

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Wright What do you mean by what other steps?

O'Mahoney Well, you mentioned before that, courtesy of that story that you had with the
5 Commissioner, that you – that in the context of discussing that, you talked
about the trust in Panama. Also, we were talking about WK Info Defence.

Wright Mm.

O'Mahoney Was it the case that your involvement in that entity occurred because, as I
think you indicated earlier, you wanted to move things offshore, you wanted
to - - -

10 Wright Yes.

O'Mahoney - - - work offshore.

Wright Everything would have been in Australia the whole time if it wasn't for the fact
that I ended up having to fight to not be bankrupt for expenditure that I actually
made.

15 O'Mahoney Right. And did you invest in WK Info Defence?

Wright More indirectly than directly.

O'Mahoney What does that mean?

Wright At the time we got a lot of payments from people I'd worked with in the past.
20 Playboy Gaming and other people that I still do work for, basically in the
gambling field. I do a lot of statistical work, validating algorithms, etcetera,
and I also do a lot of work validating the house wins, and I get paid for that
and rather than me getting paid for that, the entity got paid for that.

O'Mahoney The entity being WK Info Defence?

Wright Yes.

25 O'Mahoney All right. As at April 2013 when Coin Exchange was established, how many
other companies were you – did you control at that time?

Wright In Australia or overseas as well?

O'Mahoney In fact, we will come to that in a moment. Could you just tell us in broad terms
about the commercial objectives of Coin Exchange, when it was established;
30 what did it set out to do?

Wright Promote bitcoin and become a universal exchange platform, make bitcoin
money, make bitcoin the default reserve currency globally.

O'Mahoney And at that time - we will come back to that - there were, I take it, other
entities that you controlled?

35 Wright Yes.

O'Mahoney And did – were there other entities that you controlled that sought to bring
about the same kinds of objectives that you have just outlined?

Wright No. I've got different objectives for the other ones.

O'Mahoney There was no overlap?

40 Wright There was always an overlap.

O'Mahoney Well, tell us about the other entities.

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Wright Cloudcroft I had given to my ex-wife as a settlement and in her bankruptcy I ended up getting it back. I was still doing work – I never intended it going back to me, but it is to do with a security platform that building based upon the use of the cryptographic protocols within bitcoin. The idea there is that it integrates with honeynets and IPv6 such that you monetise the internet.

5 O'Mahoney All right. And that's one. What was another entity that you controlled at the time that had overlap.

Wright is to do with forensic work and other such things.

O'Mahoney What does that mean? Forensic work?

10 Wright IT forensics, analysis of packet streams, analysis of other such things.

O'Mahoney What's a packet stream?

Wright The flow of information over the wire. So TCP/IP, analysis of data on hard drives, creating programs, and other such things to analyse the

O'Mahoney Okay.

15 Wright Graphic photography, etcetera. On top of that, I also did some paid and unpaid work for Federal Police, including training and other such things, and other areas of the Australian Government to the IPv6.

O'Mahoney Who engaged you from the Federal Police?

Wright That was down in Canberra. I would need to dig up particular names of people. I forget them.

20 O'Mahoney That's fine. You have mentioned Cloudcroft, Penontacript. What other companies did you control as at April 2013 that there would have been some overlap with Coin Exchange.

Wright With -

25 O'Mahoney

Wright Yes. That's probably better.

O'Mahoney Okay. Well, off the top of your head now, can you think of other entities you controlled at that time?

Wright That I controlled or - - -

30 O'Mahoney Were involved in the management of.

Wright The management of was only in Australia. I think they're the main ones at that stage. Others came after that, shortly - - -

O'Mahoney Well, I guess to be clear, can you, off the top of your head now, can you think of, at that time, other companies that you had any connection with – as a shareholder, as an investor, as a worker, that would have had some overlap with the activities of - - -

35 Sommers I think – I think you have asked that question about three times and I think my client has said he would like to check his records and to get - - -

O'Mahoney For sure. No, I – that's why I - - -

40 Sommers Yes. No, no.

O'Mahoney - - - prefaced it with "off the top of your head". We appreciate that. Can we then turn to this, that I want to understand, when Coin Exchange was established, you were its sole director. Is that right?

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Wright Yes.

O'Mahoney And you were also its secretary?

5 Wright Well, only by default. I'm generally not a secretary of anything but
director - - -

O'Mahoney No. I appreciate that. And is it the case that – were there any other
employees – or were there any employees of the company on founding?

Wright There were people being used as contractors.

O'Mahoney And who are they?

10 Wright Just Ignatius Payne, Dave Kleiman was going to be a director of the company
and also an employee. Glenn, over in the US, was involved and other people
would have been involved as well.

O'Mahoney And was research done - in establishing Coin Exchange, was – had you done
some work on the business model that you wanted to put into place?

15 Wright Yes.

O'Mahoney And are there documents evidencing that work that you did?

Wright Some.

O'Mahoney What sorts of documents?

20 Wright Documents about going into – having an international banking exchange;
talks with AusIndustry about forward planning; some of the AusIndustry
plans. Research documents, documents to do with different PSOs I was
setting up, which was Agents, of course, and - - -

O'Mahoney Are there strategy – would there be any strategy-type documents that would
speak to, I guess, the business model that the company was seeking to
25 achieve?

Wright Not probably in the way you're looking at, as in a formal business plan, no.
None of this is going to a formal business.

O'Mahoney Okay.

Wright If I had my way, formal business would never exist ever again.

30 O'Mahoney All right. What about something more basic like budget-type documents,
company financial forecasts or documents - - -

Wright We don't have any forecasts, even now.

O'Mahoney Right. Okay.

35 Wright We don't seek to make any profit, and in the future we won't be able to
provide the spending money.

O'Mahoney All right. But budgets can cover that as well. At the time of founding the
company, were there documents that evidenced the likely expenditure or
projected expenditure?

40 Wright I have guesstimates which keep changing. I guesstimate I will need to spend
500 to 600 million dollars to do what I want to do.

O'Mahoney Would there be documents that were in existence at the time of establishing
the company that speak to those guesstimates?

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Wright No. I thought it would be a lot less. I thought everything would be a lot less.

O'Mahoney Right. Whatever you thought it would be at the time, would there be documents that evidence - - -

5 Wright There's documents evidencing that I thought maybe \$30 million.

O'Mahoney Okay.

Wright I was way wrong.

O'Mahoney And tell us this, that on founding the company, Coin Exchange, what was its financial position in the - I guess, let's just focus on the early couple of months of its existence?

10 Wright When we were starting originally, we looked at a bitcoin value of probably \$20 million. By the time we started looking at actually capitalising that and around Dave's death, that had gone up to, I think, \$100 million.

O'Mahoney So, sorry, can you just explain that - when you say bitcoin's value, \$20 million.

15 Wright Bitcoin was going from practically nothing to over a \$1000 profit, around 600 At the start of this, we had 1.1 million bitcoin.

O'Mahoney 1.1 million bitcoin. And is that really how the company was funded on establishment?

20 Wright And it's - - -

Sommers It's the - - -

O'Mahoney The trust etcetera.

Sommers - - - but did Coin Ex have 1.1 million bitcoin.

O'Mahoney No.

25 Sommers Right. Greg - Greg - you need to be precise with your answers about - Greg is asking about Coin Ex?

Wright No, the trusts had available bitcoin. That was then going to be loaned into the other company.

O'Mahoney Okay. Well, how was - on founding how was the company funded, that is Coin Exchange?

30 Wright On founding?

O'Mahoney On its being founded, established?

Wright We had assets that were being brought in from Panama, software etcetera.

O'Mahoney Okay. Well, I will get you to flesh that out. What were the assets being brought in from Panama?

35 Wright Bitcoin and software.

O'Mahoney Okay. Starting with the bitcoin, what - what was the bitcoin that was brought in from Panama?

Wright I would need to look at the actual figures. I can't remember off the top of my head.

40 O'Mahoney Do you have a rough idea of the value of that Bitcoin?

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Wright Not on day 1. I think if you look at the – I don't remember. It's whatever in the accounting system.

5 O'Mahoney All right. Was it valued in the hundreds of thousands, the millions, the tens of millions – can you speak to.

Wright The tens of millions.

O'Mahoney Tens of millions. And, but where was that brought in from in Panama?

Sommers Just to be clear, Greg is asking was bitcoin brought in from Panama?

Wright No. Because I - - -

10 Sommers You need to be precise - - -

Wright We never physically took bitcoin over, which was trust after in the first instance with the ATO.

O'Mahoney Okay. So – so when you say that part of the funding of this company on establishment was bitcoin brought in from Panama, what do you mean by that?

15 Wright The rights to bring Bitcoin from overseas.

O'Mahoney And you say that – you say that that was part of the funding of the company when it was established?

Wright Yes.

20 O'Mahoney How does that work?

Wright Sorry. What do you mean how does that work? You have the right to something.

O'Mahoney Well, just thinking out loud when you establish a company, one thing it does is spend money, whether it's a corner shop, a tennis coaching clinic or something more substantial than that. I just want to understand how do those rights contribute to the funding of this company. How – you've referred to rights brought in from Panama. How did that – how did those rights enable the company to invest or spend money?

25 Wright Well, between Panama and the Seychelles I had a number of - - -

30 Sommers Why don't you give Greg an example of one of the ways in which the companies, not necessarily Coin Ex, has transacted – Greg is coming from presupposition of spending money, but transacted using those rights.

Wright All right. I have a right to call on Bitcoin that's held overseas. I'm doing a deal where I want software. I basically go to the trust and I have – I sign over and say please transfer these rights and hence – and if they're called on, the Bitcoin that's held overseas.

35 O'Mahoney So you transfer rights to someone you are dealing with?

Wright Yes.

O'Mahoney And when you say "if those rights are called upon" – well, we will come back to that. I think I will need some more clarity on that. But at any rate, you say that there were two things brought in from Panama. One was Bitcoin, and you've spoken - - -

40 Wright More rights to.

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O'Mahoney - - - of those rights. The other you said was software.

Wright Yes.

O'Mahoney What was the software that was brought in from Panama?

5 Wright The software was, well, a whole lot of code that we had been writing around Bitcoin basically since 2008, and also on top of that, let's see, there was stuff to do with gaming companies in my history of work with I built platform there and also worked with a number of other gaming industries including gaming, etcetera, who were going to be run out of Australia, but after casinos, they went back overseas.

10 O'Mahoney Does that software have a name or a title?

Wright There were a number of titles for it. There were little bits for things like Texas hold'em poker and there is online casino software and there is logistical software for things and – there's lots of names - - -

O'Mahoney Okay.

15 Wright - - - for individual parts.

O'Mahoney And are there documents that evidence the transfer of that software into Coin Exchange at around the time of that company being established?

Wright Yes.

O'Mahoney What sorts of documents?

20 Wright Ones that the ATO has already gotten. We did a consignment of rights to the ownership of the software from myself to the trust to Coin Ex and to Hotwire and other companies setting them up.

O'Mahoney All right. And the other source of funding, the Bitcoin rights that you've referred to, are there – I'm talking about contemporaneous documents at the time of establishing Coin Exchange. Are there documents that evidence that interest as a funding source for the company?

25 Wright What do you mean? Sorry.

O'Mahoney Well, from – are there documents in existence from the time that Coin Exchange was set up that indicate that one of its funding sources was what you've referred to as the interest in Bitcoin?

30 Wright The emails to the ATO.

O'Mahoney From that time. From the time that Coin Exchange was set up?

Wright Yes.

O'Mahoney All right.

35 Wright That's before I I had to go through layers and layers of ATO people and basically say this is what I've got, these – what do I do.

O'Mahoney Okay. We will come back to that.

Wright How do I transfer software business

40 O'Mahoney All right. We will come back to that. Can I start by, I guess, a more specific matter. The – obviously the dispute needs no introduction. It centres on a number of claimed ITCs that Coin Exchange had claimed.

Wright ITC? Sorry.

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O'Mahoney Input tax credits. And I should have said at the outset, if any of the questions I ask, like that as an example, that you don't understand, feel free to ask for clarification at any point. But I just want to be clear about – the transactions in issue were between Coin Exchange and the Wright Family Trust with DeMorgan as its trustee. If you don't mind for simplicity, I might - - -

5 Wright No. DeMorgan was the name of the trust.

O'Mahoney Sorry?

Wright That was the name.

O'Mahoney DeMorgan – I just say that because I want to refer to it as DeMorgan in a shorthand way, if you don't mind.

10 Wright That's fine.

O'Mahoney That's - - -

Wright That is correct

O'Mahoney That's what I'm referring to. Could you tell us a little bit about the circumstances in which DeMorgan was established?

15 Wright I created the trust so that I could do everything through a trust.

O'Mahoney And when did you create the trust?

Wright 2013.

O'Mahoney Yes.

20 Wright It should have been earlier, but

O'Mahoney And when you say put everything through a trust, what do you mean by everything?

Wright Any of the rights to Bitcoin, any of the software, anything that was basically going to move into the other entities.

25 O'Mahoney And what are the activities of DeMorgan?

Wright Managing the distribution of those things and just being a family trust and holding rights to companies.

O'Mahoney Yes. It has investments; do – is that you would view it?

Wright Yes.

30 O'Mahoney As a trust that had certain investments. The – were you – what – you were obviously involved in setting up the trust. Was anyone else involved in establishing it?

Wright Yes.

O'Mahoney Who else?

35 Wright Dianne Pinder. She's a lawyer at Lloyds up in Brisbane. She did a crap job, but

O'Mahoney All right. Well, hopefully she never sees this transcript. The – tell me this - - -

Wright

O'Mahoney Tell me this, apart from legal advice, was anyone else involved in establishing the trust?

40 Wright Jamie Wilson.

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O'Mahoney And who is he?

Wright He was meant to be an accountant for the group, except he ended up running off over to New York and trying to sell everything I owned beneath me, so interested parties in Bitcoin and they will sell it for a really good price, which at the time was about 180 after all, it's just a and spoke to me, the bastard.

5

O'Mahoney Okay. And did this entity, DeMorgan, apart from Jamie – apart from Mr Wilson, was there anyone else involved in its establishment?

Wright My partner.

10 O'Mahoney Who was at the time?

Wright Well, was my fiancé at the time and is now my wife.

O'Mahoney Okay. And what is her name?

Wright

O'Mahoney And who controls the activities of the trust?

15 Wright Predominantly myself.

O'Mahoney You said predominantly. Who else exercises control in respect to the trust?

Wright Well, I don't do anything sort of large or material without talking to my wife.

O'Mahoney And - - -

Wright

20 O'Mahoney And tell me this: apart from – we know that this dispute centres on certain transactions that are said to have occurred between DeMorgan and Coin Exchange. Tell us more broadly about the activities of the – of DeMorgan. What other entities, who else has it transacted with?

Wright All the different companies

25 O'Mahoney All right. If you wouldn't mind summarising them for us.

Wright Hotwire Pre-Emptive Intelligence Pty Limited, Denarius, Integrys – do you have a list? All of the ones that are being

Sommers You can the ones you remember. I mean, we're – I mean, Greg - - -

Wright There's a pile of them.

30 Sommers If Greg wants a list, there are numerous lists of them. I think he wants - - -

Wright Okay. Yes.

Sommers - - - you to talk about them.

O'Mahoney Yes.

Wright I can talk about them – if you mention them, I can tell you what they are.

35 O'Mahoney Okay. Well, that's helpful. You've mentioned seven or eight. You said there were – you thought – you think might have been seven or eight. You've mentioned four. Any others off hand that you can recollect? Entities that DeMorgan transacted with.

Wright Well, I transacted with I'm sure Andrew DeMorgan - - -

40 O'Mahoney Well, no. I can short circuit this. It's not a memory test. Is this the case: that DeMorgan only really transacted with entities that you controlled?*

Interview Conducted with Craig Wright

Wright Yes.

O'Mahoney And - - -

5 Wright The idea was just to have it sit there and I put everything into DeMorgan then distribute it out, get the capitalisation into there, eventually I fix it up so that instead of being a trustee, DeMorgan - I'm trustee but DeMorgan has the - the real ownership for each of the - the different shareholdings and

O'Mahoney Can I get you to unpack that a little bit, because that's something I want to understand. You said that you - that the idea was that everything would be put into DeMorgan. That was the first step.

10 Wright Yes.

O'Mahoney Can we just start on that step. Because I just want to understand the general nature of the commercial enterprise. What do you mean by that?

Sommers Can I just clarify - I'm not seeking to your questioning, if you discuss - maybe if you discuss the licenses from DeMorgan and the IP transactions from DeMorgan to the respective entities and the ownership and the reverting ownership, that may assist Greg in

15 Wright Okay. Well, the idea was to ensure that I protect my intellectual property so that I can put everything into one big pool and then distribute it where it needs to go based on what each individual entity is actually going to be doing. Coin Ex is an exchange type platform. Denariuz being a banking type platform and reserve bank were you have to actually have capital reserves to own them Bitcoin. Integyrs would be the commercialisation of asystem. Hotwire was there to actually commercialise, do research, etcetera. Interconnected Research was set up as an RSP, which is consulting registered as Australia's first and only cryptocurrency consulting registered The idea being I take all of the different bits of software that I have and then I can start - this is my list of software, plus the other bits I've bought, and then I can distribute them out where they need to go.

20 O'Mahoney Okay.

30 Wright So I can focus each entity on what it needs to do.

O'Mahoney So unpacking that to look at this first step of putting what you say - all of your intellectual property into this entity - - -

Wright Yes.

O'Mahoney Tell us about that process. How did you bring that about?

35 Wright Well, I sold from me to the trust and then the trust to the entities.

O'Mahoney And what was the - the value of the transactions from you to the trust? The total value. Ie, which - I think if I'm understanding, the total value of all the intellectual property that you put into the trust.

Wright 120 million.

40 O'Mahoney Okay. So there was something like \$120 million worth of intellectual property transferred into the trust from you?

Wright Yes. Some of which was external and some was mine. It was

O'Mahoney But by external do you mean that the trust purchased some other intellectual property that wasn't yours?

45 Wright I purchased stuff and then put it into the trust.

Interview Conducted with Craig Wright

O'Mahoney Okay. Did the trust acquire any intellectual property other than from you?

Wright No. I – I acquired it, I sold it to the trust and the trust broke up and distributed all the bits into the

5 O'Mahoney Okay. And looking at this acquisition by the trust, you say the total value was roughly \$120 million. How is that valuation arrived at?

Wright The stuff I got from the banking and whatever else was how much they paid, and the other was based on – well, what had been put in from other entities overseas, such as etcetera.

10 O'Mahoney And the – the intellectual property that was transferred into the trust with this value of \$120 million, did you – how were you paid for that? Did you become a \$120 million richer?

Wright Well, I had a loan to a trust overseas. And then - - -

O'Mahoney Can you tell us about that loan to the trust overseas?

15 Wright Well, basically there's a loan document. I get a loan of Bitcoin, which is still overseas, but is used to distribute those rights into the payments.

O'Mahoney Okay. I'm going to need to understand that. And apologies. It might be that I'm being slow, but it sounds like this was** a substantial set of transactions that - - -

Wright Yes.

20 O'Mahoney - - - involved populating the trust, if you like, with this intellectual property

Wright Yes.

O'Mahoney Or selling to the trust this intellectual property with this value of \$120 million. I just want to understand how did you receive that consideration, the \$120 million? That's a large sum of money. How did it come to end up in your pocket?

25 Wright I get an assignment of rights to Bitcoin held overseas, which is done against a loan. I mean, I had set up conditions trust services and the expenses promotion of Bitcoin and promotion of cryptocurrencies and the research. And so - - -

30 O'Mahoney Can I just pause there because I want to understand this. When you say you were assigned the rights to Bitcoin overseas - - -

Wright Yes.

O'Mahoney - - - is this the case, that there was a pile of Bitcoin or a pool of Bitcoin overseas with a value of approximately \$120 million, and as part of these transactions you were assigned rights to that pot of Bitcoin, if you like?

35 Wright I was assigned to part of that pot of Bitcoin.

O'Mahoney So what percentage of that pot of Bitcoin was assigned to you?

Wright Probably

O'Mahoney So does that mean that the total value of this pot of Bitcoin was about \$240 million?

40 Wright Well - - -

Sommers Well, maybe if you through this process by which the company's capitalised. The company has paid the trust for their assignments and the trust paid you for this time.

Interview Conducted with Craig Wright

Wright Yes.

Sommers And it has been that way and so it's a bit – perhaps a bit clearer.

Wright Do you have a whiteboard?

O'Mahoney I don't.

5 Wright No.

O'Mahoney But I've got an eager ear. Could I say this - - -

Wright Can I draw some diagrams and - - -

O'Mahoney Yes. No, I'm happy for you to assist but it's – really, for the purposes of the
10 interview, we're going to be relying on the transcript. I just want to understand
this.

Wright Well, could I get you a diagram that you could add to the transcript?

O'Mahoney Yes. No, no, certainly, but - - -

Wright If we can do that because I'm more a putting down diagrams person than
trying to explain it.

15 O'Mahoney Happy to do that but I do want to understand this, that it does seem that we're
on common ground when we say there was a pool of Bitcoin out there or a pot
of Bitcoin. And I think you indicated that you were given an interest of 50 per
cent of that pot of Bitcoin. Is that correct?

Wright

20 Sommers No, I think that that's the miscommunication. So I don't think Dr Wright said
that there was a 50 per cent interest in that pot of, no.

Wright Yes, it's not a – it's a loan of a number of Bitcoin.

O'Mahoney All right. Well, I just want to understand. I thought you did say the figure "50
per cent." But put that to one side. I - - -

25 Wright The entirety would be around 50 per cent of the entire pot. I haven't spent all
of that but - - -

O'Mahoney All right. But does that suggest that the entire pot is worth about \$240 million?

Wright Not anymore.

O'Mahoney Okay. But was it at the relevant point in time?

30 Wright At one point in time, yes.

O'Mahoney I did – where did that pot, that Bitcoin sit?

Wright In the Seychelles. The server was physically in Donchester.

O'Mahoney Conchester?

Wright Doncaster.

35 O'Mahoney Don - - -

Wright Over in Britain. And backup servers in Seychelles and Singapore.

O'Mahoney And - - -

Sommers So we get into difficult questions when you ask things like where did you

Interview Conducted with Craig Wright

O'Mahoney No, no, I appreciate that. But we need some reference point, some But this pot of Bitcoin that, at one point in time, was worth \$240 million, it was – partly, it existed by reference to Donchester, I think you said?

Wright Yes.

5 O'Mahoney And, partly, by reference to the Seychelles.

Wright Yes.

O'Mahoney And, partly, by reference to Singapore.

Wright Yes.

10 O'Mahoney And is that pot of Bitcoin – are there documents in existence at the time that would speak to that \$240 million?

Wright You can check the value against the number of Bitcoin and do a calculation on the market value at any point in time, yes.

O'Mahoney How many Bitcoin were there?

Wright That I had a loan of or - - -

15 O'Mahoney No, that were part of this pot.

Wright The entire pot?

O'Mahoney Yes.

Wright 1.1 million.

20 O'Mahoney And you had a – as part of this set of transactions where intellectual property was transferred into the trust, the DeMorgan Trust, you acquired a 50 per cent interest in that pot.

Wright Took 650,000 Bitcoins up to

O'Mahoney Okay. So your interest was 650,000 Bitcoin which was approximately 50 per cent of that pot.

25 Wright A little bit more.

O'Mahoney And you've mentioned a few times a loan. I could understand this, that on the transferring of valuable assets into a trust you have transferred to you an interest in Bitcoin with X value, wherever they exist in the world. You – I don't understand how the loan fits in. Can you explain how that formed part of the consideration you received?

30 Sommers Sorry, just to be clear, what are you asking? I don't understand the question.

O'Mahoney Because I don't know exactly what the loan refers to. You've said a few times about - - -

Wright Yes, the loan from an entity in Seychelles.

35 O'Mahoney Can you explain that.

Sommers There's a deed of loan - - -

Wright There's a deed of loan.

Sommers - - - by a trustee who holds a number of Bitcoin and that deed of loan document is a loan from that trust deed to Dr Wright of Bitcoin in the sum of

40 650,000 Bitcoin.

O'Mahoney But you have – if the value of the that has been transferred to the trust
- - -

Interview Conducted with Craig Wright

Sommers Yes.
Wright That's - - -
5 Sommers No, you're jumping around between different things. So that's the loan. You asked a question about what's the loan.
O'Mahoney I was wondering how that - - -
Sommers That's the loan.
O'Mahoney - - - factored in.
Sommers And then it – now explained - - -
10 Wright So I used the rights to the Bitcoin to basically buy and sell between the entities. So - - -
O'Mahoney Can you explain that?
Wright I will do it with all things I can move around. Apples and oranges.
O'Mahoney If you can - - -
15 Wright I have to do it like this.
O'Mahoney I mean, if you can do it by the use of words that's certainly going to be the most - - -
Wright I can do maths. I can do whatever else. Use of words is not my speciality.
O'Mahoney I appreciate that but one of the issues we've got is that the transcriber won't
20 pick up, sort of, movement of fruit on a table. So, I mean, I'm grateful for that sort of visual indication but we are going to have to, as best we can, reduce to words what we're talking about. So the question is how is it that – you've just outlined a modus operandi of the use of this interest in Bitcoin.
Wright All right. So used – put a right to Bitcoin into one of the entities as capital.
25 O'Mahoney Yes.
Wright Pay it back to buy the goods. So the internal things where it's just software that I haven't purchased externally is just a wash transaction. I pay for it, I swap it. It all equals zero and it all works out. The only ones where there's any real difference are where there's an external party and Bitcoin have left and gone off to pay someone else.
30 O'Mahoney Yes, and that's – does that happen from time to time?
Wright Yes.
O'Mahoney But to understand this, I mean, it's a big picture question, I guess. At one point in time you received this consideration, \$120 million for – roughly for intellectual property that you transferred to this trust.
35 Wright Yes.
O'Mahoney And you say that your consideration for that was an interest in roughly 650,000 Bitcoin. Is that correct?
Wright No.
40 Sommers No. No one said that the entire 650,000 Bitcoin were transacted. That was the – you asked about the loan.

Interview Conducted with Craig Wright

O'Mahoney Yes.

Sommers That's the pool and, on top of which, a number of Bitcoin were transacted not equal to that.

O'Mahoney Okay. I'm sorry, I misunderstood. I thought there was a pool of 1.1 million.

5 Wright

Sommers There's a pool, there's a loan of a subset of that 1.1 million and then a further subset of that 650 is being dealt with in relation to the capitalisation of the companies and the companies' spending money acquiring the IP.

10 O'Mahoney All right. Well, okay, I'm grateful for that clarification. We will come back to it. Tell me this, that the -- you were describing earlier the process whereby assets were transferred into the trust and we've been speaking about the consideration that you received for those assets. Then I think -- correct me if I'm wrong -- you said something like the idea was we put everything into the trust or I put everything into the trust and then distribute out from that trust.

15 Wright All the software, yes.

O'Mahoney That's what I was going to ask. So can you tell us about that second phase, the distributing out. What do you mean by that?

Wright There are millions of code. I've split up ownership of parts of those different entities. Each of those are focussed on different areas, some to do with security around the Blockchain, some are to do with the exchange of that, some are to do with the banking. Andrew, a few of the ATO people have seen it but I own a software and platform at the moment. And one that we've been able to alter so that we can use it on the Blockchain which really

20 couldn't do with, well, billion dollar companies being able to, ultimately, worked. So part of all that and that failing and whatever else, I've gone out and bought everything I needed to create my own.

25 O'Mahoney Okay. And so is this the case, that there's a lot of software and a lot of IP that, at one point in time, you say, was the property of the trust and that that has been distributed to various companies that you control, based on what those companies do and what the relevant IP is.

30 Wright Yes, yes.

O'Mahoney Is that a - - -

Wright each one individually.

35 Sommers How was it distributed because I think Greg is going down a path about the word "distributed" which I don't think has explained how it was distributed.

Wright We did an assignment. So there's a contract where we bought and sold all of the software listing which bits were given to each particular entity. And then we capitalised each of the companies. So out of the pool, we've got the rights to Bitcoin into something like Coin Ex and then Coin Ex buys back the rights to the particular bit of intellectual property.

40 O'Mahoney Are there sort of documents that have been created in respect of the trust that would evidence the total or the global amount of IP or software that the trust had transferred to it at a point in time?

Wright Yes, yes.

45 O'Mahoney And are there documents evidencing the specific transfers from the trust to these various entities or - - -

Interview Conducted with Craig Wright

Wright Each of those have been given to the Tax Office.

O'Mahoney - - - discrete software.

5 Wright And even before any of this, back in the '12/13 year, I approached the Tax Office to get a BDR. My comment was, first, can I get around doing GST on these transactions because, apart from the external, what I wanted to do was just say, look, I don't have the same shareholding in each of these things but they're all a wash transaction. Can I just do it with no GST because it all works out at zero in the end? And the comment from the Tax Office was no and they gave me a BDR saying you have to put tax on any transaction.

10 O'Mahoney Can you explain what you mean by "wash transaction?"

Wright It equals zero at the end of the day, it - - -

O'Mahoney In what sense?

Wright There's a plus and a minus for GST and the plus and the minus are exactly equal.

15 O'Mahoney And is that - - -

Wright One party owes, one party doesn't, and they're all related anyway.

O'Mahoney Well, is that - well, that's what I was coming at. Is it that you say that it's that zero type transaction or wash transaction in the context of entities that are related - - -

20 Wright Yes.

O'Mahoney - - - transacting with one another.

Wright Yes.

O'Mahoney All entities that you control.

Wright Yes.

25 O'Mahoney And tell me this, that - focussing in on, I guess, the present dispute. We know that there were a number of invoices issued by DeMorgan to Coin Exchange on 1 July 2013.

Wright Yes.

30 O'Mahoney Can you tell us about the circumstances in which those invoices came to be issued?

Wright We set up how we were going to distribute the software, what the payment schemes are and plans and issued invoices against that.

O'Mahoney And when you say "we," who was that?

Wright Myself and other people who were involved with all of this.

35 O'Mahoney Who were?

Wright Involved with running the companies.

O'Mahoney Yes, but - - -

Wright Initially, Jamie Wilson but we had a falling out. He still owns 15 per cent of the original company and the patent that I failed at Ramona is involved, other people were involved as well.

40 O'Mahoney So both Jamie and Ramona would have been involved in, what, the issuing of these invoices?

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5 Wright Yes. I actually stepped out from one side because the coin – like, for Hotwire and things I didn't sign as a Hotwire director because then, if I'm a Hotwire director, I didn't want the conflict type thing. So I signed for the trust and Jamie and Ramona signed for the company or Coin Ex, at this stage, was Jamie.

O'Mahoney In circumstances where you didn't want to be signing, if you like, on both sides of the ledger.

Wright Yes.

O'Mahoney Both sides of the

10 Wright Yes. I thought it was better if I stepped back and acted on one side rather than both.

O'Mahoney So who prepared the invoices? Who would have drafted them?

Wright Jamie, and they were a bloody mess and we had to redo

15 O'Mahoney Okay. We will come back to that. But Jamie prepared them, what, on your instructions?

Wright Well, he was the finance person for the he was going to be CFO.

O'Mahoney For DeMorgan?

Wright No. Not for DeMorgan.

O'Mahoney All right.

20 Wright For the companies. But he ran – he was going to run all the accounts and everything for it.

O'Mahoney Okay. But who from DeMorgan issued these invoices?

Wright I issued the invoices DeMorgan.

O'Mahoney You did? I thought you said that Jamie did and he got it wrong and you had to redo them.

25 Wright Yes. I ended up redoing them because Jamie – his wife and himself, well, I think they're now divorced. I don't know they've separated around that time and didn't realise big mess and he didn't end up doing half the things he was meant to do.

30 O'Mahoney Okay. So to be clear, is this the case, that in the first instance, the invoices prepared by Jamie, you weren't happy with them, you edited them, they needed quite a bit of fixing?

Wright Yes.

O'Mahoney It sounds like. Tell us about anyone else who would have contributed to the original preparation of these invoices.

35 Wright The original?

O'Mahoney Yes.

Wright No one else.

O'Mahoney No. Did Jamie prepare the invoices on instruction from you in the first instance?

40 Wright Well, yes.

O'Mahoney And what were your - - -

Interview Conducted with Craig Wright

Wright And he wasn't part of the trust.

O'Mahoney And what were your instructions to him?

Wright Basically prepare the invoices.

O'Mahoney You would have to say a little bit more than that.

5 Wright Well, yes, I but I don't remember exactly what I said.

O'Mahoney No.

Wright We had - - -

O'Mahoney But we don't live in la la land. We're not expecting you to remember word for word, but the substance of what was said.

10 Wright We had contracts.

O'Mahoney Yes.

Wright And assignment documents. And along those contracts and assignment documents invoices.

O'Mahoney Okay. The - and is this the case, that those invoices were issued - tell me this, that they were prepared by Jamie. When were they issued to Coin Exchange? Or how were they I guess is more relevant. We know - - -

15 Wright Well, we set up everything as zero and you just click a button and it goes from one zero account to another zero account. So we have different accounts and, electronically, invoices are transmitted over the internet to another system on the internet.

20 O'Mahoney All right. If I - - -

Wright I don't if I don't have to.

O'Mahoney No. Okay. Yes.

Wright As you're probably aware from the past

25 O'Mahoney If I sent an invoice over email, there's a record of the date that I send the invoices, a documentary trail, if you like. You can create a picture of when it was sent. Is there such a record here in respect of these invoices?

Wright Ones where they've been sent and fixed and deleted yes.

O'Mahoney Is this the case that after the invoices were first issued, they were subject to further editing?

30 Wright Yes.

O'Mahoney And what was the nature of the further editing?

Wright After Jamie disappeared beginning of October contact John Chesher in the past. John said, "There's errors here. Fix them." And then we were talking the Australian Tax Office and they said, "No. Things have to be this way," so we did them. And - - -

35 O'Mahoney Okay.

Wright Basically going backwards and forwards, trying to get what everyone wanted as being correct.

40 O'Mahoney Okay. Just unpacking that. Firstly, I think, where there was some input from John Chesher. Tell us about that input.

Wright What do you mean? Sorry.

Interview Conducted with Craig Wright

O'Mahoney Well, what was his input? He obviously – I think you indicated he had some problems with the invoices. What were those problems?

Wright Dates.

O'Mahoney Okay. What did he say?

5 Wright I had predone – because they were for 12 month periods, I had actually pre-done things before when they so we had finalised transferring software on 15 July. Because it was a 12 month contract, I've just done it from 1 July because it's a 12 month contract anyway. For the whole year, I just dated the thing when I and tried to get it the first time as of the 1st. And John said you can't do that. You've got to the other or you've got to it this way, so - - -

10 O'Mahoney All right.

Wright Dates were a big issue, which I still can't see as the problem because it's still in the relevant period, etcetera, etcetera

15 O'Mahoney And you were saying that there was some further input from the Commissioner for the Tax Office.

Wright Yes.

O'Mahoney What was that – were changes made following that input?

Wright Yes. Everything was totally redone.

20 O'Mahoney Okay.

Wright That's where Andrew and everything was involved. I stepped back totally, and Andrew and John and everyone went back and forwards, having me pull out my hair, and saying this is how it has got to be now. And the values all worked out the same except - - -

25 O'Mahoney Okay. Well - - -

Wright Different ways of doing it. I won't even go there because I have no idea. All they – all I know is Andrew and John and everyone else went back and forwards, pulling apart the things and redoing it all

O'Mahoney All right. Well, can I ask this, Dr Wright. To the best of your understanding, what changes were made to the invoices following input from the Commissioner?

30 Wright How we GST. So the actual value after everything cancelled out is exactly the same, so I don't – I still don't see the point of it.

O'Mahoney Okay. The point of it is one thing. But I just want to understand, in the first instance, what changes were made to the invoices following input from the Commissioner?

35 Wright I don't really know or understand. I know that it was reissued and Andrew and John did a whole lot of things and John came back and he did invoices and he reissued everything and put it back onto the system. And the amounts were exactly the same, so I didn't complain.

40 O'Mahoney All right. One feature of the invoices - if you like, there are a number of invoices all dated 1 July 2013 and they add up to, I think, \$38,170,000 or thereabouts. Tell us this, what were the circumstances that resulted in multiple invoices being issued in the amounts that they were, i.e. a number of invoices for \$5.445 million and a larger invoice for \$10.945 million?

45

Interview Conducted with Craig Wright

Wright Sorry. From who to whom are these invoices?

O'Mahoney The invoices from DeMorgan to Coin Exchange.

5 Wright That was to do with the conditions in the software distribution contract, which I don't know if we have got a copy there but they have got copies of it.

O'Mahoney Well, I want -- so you say there's a contract that will -- that breaks down - - -

Wright Yes.

O'Mahoney - - - each of these amounts?

Wright Yes.

10 O'Mahoney And that each of these amounts is reflected, what, in a - - -

Wright Payment schedule.

Sommers Payment schedule.

O'Mahoney In a payment schedule.

Wright Yes.

15 O'Mahoney All right. Normally, when you think of -- when you say payment schedule, that in my mind normally invokes sort of staggered timing. These were all invoices issued on the same day. What do you mean by payment schedule?

Wright They were issued on the same day but if you read the conditions for each period - - -

20 O'Mahoney Yes.

Wright Because work was going to be ongoing over that period using that software.

O'Mahoney But looking at the -- on the face of the invoices, they all are framed in, I think I'm right in saying, more or less identical terms: software sales-prepaid 2014 to 15, software licence.

25 Wright numbers.

O'Mahoney There's - like in terms of - - -

Wright Invoice numbers.

O'Mahoney In terms of the description, I can put - - -

Wright In terms of the invoice numbers.

30 O'Mahoney The invoice numbers are different but I am just talking about on the face of what's described as the sale, if you like, or the supply. If I just show you them, is there anything on the face of those invoices that you could direct us to that would explain what specifically was the subject of each in terms of the relevant supply?

35 Wright Well, not much in the invoices because it is some -- it's the contract that actually does anything, and I think one of these was cancelled anyway double-check on the system but I think invoice 6 and 10 basically ended up with the same thing. And then you will notice 5 is 13, 14 and then the other was 14, 15.

40 O'Mahoney I'm grateful for that. But when you say that an invoice was cancelled, what were the circumstances of that?

Wright It was cancelled because it was incorrect and another one was issued.

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O'Mahoney In what way was it incorrect?

5 Wright I don't remember all the details. I think it might have been double-issued or something like that or whatever else. All I know is there is a schedule in the contract and that schedule is what dictates the invoices and which periods they cover.

O'Mahoney And apart from the contract, are there any other documents that were created around these transactions?

Wright Yes.

10 O'Mahoney Emails – what sorts of documents?

Wright There's emails of course. There's all the emails back in - at which point do you want to talk about?

O'Mahoney Well, at around the time that this – these transactions totalling \$38.1 million are said to have occurred. What sorts of documents beyond the contract and the invoices do you say evidence those transactions?

15 Wright There's an assignment of the transaction. There's the details in the Supreme Court of the software. There's the – what do you call it – the sale for the actual external software that was purchased.

Sommers as between – are you asking between the Wright Family Trust - - -

20 O'Mahoney That's right. Between - - -

Sommers And Coin Exchange.

O'Mahoney The two parties to the transaction.

Wright Well, purely that, there's just a couple of emails and the contracts. I mean, I don't see why I would have more than that. It's myself running a company and myself running a trust. I documented it all in contracts. I documented the schedules. I'm not going to send emails back and forwards to myself going, "Hey Craig, I'm doing this." "Yes, Craig, that's a good idea." "Hey Craig, what do you think if I do that?"

25 O'Mahoney The – tell me this, that in terms of the receipt of these invoices, on any view of it, the supplies they are said to reflect were valuable - - -

30 Wright Yes.

O'Mahoney - - - with a total value of about \$38 million. How was it that the value of said supplies was arrived at?

Wright As I said before, the combination of input plus predominantly a number of lines of code, standard valuations, which was used in the US all the time. And I have got ATO documents saying that it was used by – that it's a valuation by the Australian Stock Exchange. I have got ATO. I have got training presentations from the ATO that say this is one way of valuing software, hence used COCOMO. I had an independent FCA chartered accountant go over the figures I used and came back with, "That's too aggressive, you should set that lower," all those sort of things.

35 O'Mahoney And how was it that at this stage in its corporate live Coin Exchange was in a position to acquire such valuable supplies?

40 Wright Because I have rights to Bitcoin and I capitalised the entity.

45

Interview Conducted with Craig Wright

O'Mahoney Okay. The -- we will come back to that but can I ask this, that we -- that -- obviously the subject of these supplies was software. In terms of the mechanics of what's reflected on the invoice it says here, "Due date 15 August 2015," on -- I think on ---

5 Wright Yes.

O'Mahoney --- one of the invoices and 15 August 2014 on another, 15 August 2013 ---

Wright Yes.

O'Mahoney --- on another. What are those due dates referable to?

10 Wright There were a number of milestones in taking some of the software and updating and converting it and moving it so that it was more usable for what we want in each of the companies.

Sommers In clause 11 of appendix 1

O'Mahoney Yes. That's what I wanted to clear. In your mind, is that a reflection of the date by which payment was due?

15 Wright Due, yes.

O'Mahoney Due. Okay.

Wright It's sort of due when the particular task, activities and whatever else had been completed.

20 O'Mahoney All right. The -- I will come back to this. I mean, you have mentioned the issue -- that there being an issue of the date. One of the interesting or threshold issues, as I'm sure you will appreciate in this dispute, is that the date of registration of DeMorgan in terms of its ABN. We know -- we have got pretty clear information that it was registered on 26 August 2013. Are you able to tell us how it came to be that in those circumstances, DeMorgan was issuing invoices ---

25 Wright DeMorgan ---

O'Mahoney I've just got to get the question out clearly before you answer it. Are you able to tell us how, in those circumstances, DeMorgan was issuing invoices as at 1 July 2013?

30 Wright The trust was formed in June 2013. What happened was Dianne was meant to - or both or one or the other can send it off to the ATO when they set up the trust. What they ended up doing was just giving trust and ---

35 O'Mahoney I think -- I think what example is were those documents issued on 1 July 2013?

Wright No.

O'Mahoney Well, no, actually. The question was can you explain to us how it came to be in those circumstances of DeMorgan being registered in August -- on 26 August 2013. How did it come to be that the invoices were issued on 1 July?

40 Wright the contract was signed in August -- end of -- after the trust had been registered. What I ended up doing was filling out an invoice that said period, because that's what it was meant to be. The trust that actually formed on 1 June, so after filling out the contract -- I think it was the 26th, or something like that, of August -- I had the contract, but the invoices for the contract signed as of that date, because I thought that's what I'm meant to do. It's

45 still the same GST period. I didn't think it would be a problem. I thought the

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correct way, being what we're talking about, was, for the whole period, was to have a with that date, which was my mistake; I should have invoiced them for the whole period from the date that I had them. Jamie, who was the CPIE, just disappeared all the time – didn't get

5 O'Mahoney Was Jamie involved in this, what I think you've referred to as backdating?
Wright I ended up doing the backdating because I thought it was correct.
O'Mahoney When did you do the backdating?
Wright When I set them – when I tried fixing up the invoices.
O'Mahoney And who else was involved in the backdating?

10 Wright Just me.
O'Mahoney And to backdate something – the – the suggestion is there was already date. Had Jamie arrived at the original date?
Wright Jamie went with

O'Mahoney But he obviously arrived at the original date?

15 Wright Yes.
O'Mahoney And did he do that on instruction from you?
Wright Well, he did it on instruction from the contracts.
O'Mahoney And when did – as best you recollect, when was Jamie's version of the invoice created, or invoices?

20 Wright The proper ones that we ended up with in the system, whatever the date is on the contracts, it would have been the day after that August.
O'Mahoney All right. The – the – the software that was being supplied, I think it falls into two categories – and you will have forgive me; I don't share your technical expertise, so I'm going to need a little bit of enlightenment.

25 Wright
O'Mahoney Okay. I'm sure it does, and maybe I've oversimplified it, but - - -
Wright Yes.
O'Mahoney - - - certainly from my reading of the brief materials, it indicates that, broadly, there was some software that was associated with Seimens. Is that correct?

30 Wright Yes. That's so.
O'Mahoney And some other software that as associated with an entity Albaraka.
Wright That's the external software, not the internal software. Yes.
O'Mahoney All right. Well, can we just go through them one at a time.

35 Wright That's the predominant software. There's also a number of other small parts of software in the contract the two large external contractor were those two.
O'Mahoney All right. Well, can we just go through them one at a time. Starting with Seimens Software, tell us about that.

40 Wright Seimens Software is mine automation software, or automation software. Basically what we're doing is it's a sort of software designed to run and automate anything from a factory to a mine else. As I've been saying, what I want to do is take a number of and automate them. So I want to do

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5 something that will work on the block chain and automate the payment I
wanted to actually have a set budget, and the budget is prepaid, and that
based on use, will actually distribute payment to the energy grid based on
different times, etcetera, like that and negotiate itself. So my Siemens
Software – well, what it's actually used for is creating if you look at the
things that have been - mine and everything like that at the moment, it is
becoming profitable for iron ore because they have less people. So they're
automating all these machines that go down underground, and they're
effectively robots that are pre-programmed to do certain things. I want to take
10 that and monetize it, so we build it directly into the block chain, and we have
all this automation software, and then we have it built into everything you can
think of, whether it's home appliances, whether it's light bulbs, computers,
internet access – so, per packet on internet access would be micro payments,
and then we could also have it so that it controls the device based on what's
15 actually out there, whether there are other sensors in here. So, for instance, if
it senses selected people in the room versus a large meeting versus a small
one - - -

O'Mahoney Okay.

20 Wright The would turn on and off depending on the time of day and ambient light.
If it can sense a particular person – so you have an RFID tag or something
else – and it knows that – it starts to learn over time that you like a brighter
room, it will do that but in a way that can be billed back automatically to the
owner of the project.

25 O'Mahoney So is it the case that, in part, the software is directed towards energy
efficiency?

Wright In part, yes.

O'Mahoney And, in part, it's directed towards - - -

Wright

O'Mahoney - - - convenience – user convenience, user amenity.

30 Wright And also user pace.

O'Mahoney User pace? All right.

Wright Yes.

O'Mahoney A way of charging users.

35 Wright Eventually, I mean, to take it to the ultimate extreme, if you commercialised
roads – they have governments you take the road, get rid of local councils,
because they suck, and you actually then give ownership to a section of road
or road, or whatever else, to individuals who can then trade and distribute that
based on smart property contracts. As people go up the road, you could have
something like you have the tolls systems now where it's an automated
40 payment, and that automated payment goes towards the maintenance and
control of the road. So if you have a suburban road, people could limit the
amount of traffic by increasing how much it's going to cost to go on the road.

45 So if you don't want people going up your road, the same as a strata-type
thing, everyone gets together, they vote based on, you know, holdings in the
block chain, and say, "We are going to charge \$10 for everyone to go up the
road unless you happen to be a resident, in which case you get this much free
access and this much paid." That can then be tied to contractual obligations
to maintain the road. So the road itself can actually have contractual

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obligations so that if a certain number of people then do things like Twitter in and say, you know, "Hey, there's a pothole" - - -

O'Mahoney Yes.

Wright - - - "and they fixed it and it's automated and" - - -

5 O'Mahoney I understand the concept. I understand. Thank you for that explanation. Tell me this, how is it that this line of software or this type of software is identified by reference to Seimens?

Wright Seimens have an automation and control suite.

10 O'Mahoney What does that mean? Is Seimens responsible for some of the intellectual property that has gone into this software?

Wright Yes. I'm pulling it apart and reverse engineering it.

O'Mahoney Okay. But pulling apart what is effectively, in the first instance, a Seimens' product; is that right?

Wright Yes.

15 O'Mahoney And - - -

Wright Under Australian law there is no -- it's not like the Digital Millennium Copyright Act in the US where be breaking the law by pulling apart the software. Here in Australia, I can actually reverse engineer and recreate. So what I am doing is taking something where I don't have source code or anything like that, and if you will look at some of my skill sets, I taught reverse engineering particularly from a malware point of view but from other points of view as well. So I could take a piece of compiled code, where there's no documentation, and I can - - -

20 O'Mahoney Back engineer it or reverse engineer it.

25 Wright Back engineer it back into something that is usable.

O'Mahoney All right.

Wright And recreate my own version.

O'Mahoney Tell us this, just focusing on this Seimens' software. For the Seimens' software to have been the subject of this transaction between Coin Exchange and DeMorgan, it must have at some point in time been the -- well, it's - obviously it was at some point in time, you say, the property of DeMorgan. DeMorgan had to have acquired it to sell it.

30 Wright Yes.

O'Mahoney That's simple enough. DeMorgan, I think you say, acquired the software from you?

35 Wright Yes.

O'Mahoney Specifically this Seimens' software, can we just go through how -- for DeMorgan to have acquired it from you, you had to have had it at some stage. So if we could start at the beginning

40 Wright I did a - - -

O'Mahoney Let me finish the question, and I'm sorry it's a long-winded one. Dr Wright, how did you first acquire this Seimens' software?

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Wright I dealt with a company called MJF and they turned out to be a rather dodgy fellow called Mark Ferrier, who said – he could get me access to the software.

O'Mahoney Okay.

5 Wright I purchased it from him. I then sold it into the trust – in the trust and split up the bits and sold them.

O'Mahoney All right. So let's just start – what is MJF?

Wright MJF is the only company I know with no directions in Australia at the moment removed Mark.

10 Sommers I think was somewhat more limited.

O'Mahoney It was. That's a fascinating description. It sounds like a bus without a driver, but – MJF – – –

Wright Worse than that.

O'Mahoney What do you know about MJF?

15 Wright Now or then?

Sommers Yes. That's the important distance.

Wright Now, a lot more than I knew then.

O'Mahoney Well – okay. How about we work up to MJF. Let's start with – I just want to understand how you came to acquire the Seimens software. You mentioned this figure – this character, Mark Ferrier. You met him at a mining conference.

20 Wright Yes.

O'Mahoney What was the mining conference?

Wright One of them. I speak at lots of conferences. I can't remember.

O'Mahoney You can't remember which one. Can you remember, roughly, when it was?

25 Wright End of – I would have to look at my

Sommers There's an entire breach of

Wright I've got a new phone. I kept my old phone because I got the SMSs and everything from – from Mr Ferrier. So what I've done is I've – I've bought a new phone totally, so that I could put the old phone there and leave all the evidence untouched.

30 O'Mahoney Okay. But – no one is holding you to precise dates. But as you best recollect, when was it that you first met Mark Ferrier?

Wright End of 2012, beginning of 2013. We started dealing properly in beginning of – like January, February 2013.

35 O'Mahoney All right. So early 2013.

Wright Yes.

O'Mahoney Was he – was he also presenting at this conference?

Wright No.

O'Mahoney Was he attending?

40 Wright Yes.

O'Mahoney And – and does he have an interest in the mining sector?

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Wright Yes.

O'Mahoney And at the conference you had a conversation with him about business opportunities.

5 Wright He came up to me, actually, after I had been talking, because I had been talking about automation and I had been talking about all these different things, and I sort of let people know that I was

O'Mahoney Okay. And is this the case – did he pitch an idea to you?

Wright Yes.

10 O'Mahoney And what did he say? Again, I'm not going to hold you to a word-for-word account, but just tell us about this interaction. What did he say, as you recollect, and what did you say?

Wright I know he came across – all right. Can we just say there is allocution Mark and there is low, down and dirty Mark. There are two versions – or at least two versions of Mark, as other people found out as well. I was dealing at that stage with the refined Mark whose father was Ian Ferrier and had a background in mining and financing and all these things. Talked a really good game and told me how he could get access to software and things like that that I wanted. Not straight away. Not day 1. We built up a little bit of a rapport first. I told him – asked me about what I wanted. Really interested in what I was doing. I mean – so as I – as I I can rant and rave on about that stuff.

15

20

O'Mahoney But did you and Mark start speaking on an ongoing basis?

Wright Yes.

O'Mahoney And in the course of those discussions – – –

25 Wright Mostly Skype, SMS, some emails.

O'Mahoney Some emails. Some SMS.

Wright Yes.

O'Mahoney And you've got – you've kept some of those, I take it.

Wright I actually got a new phone** so that I could keep the other phone and just put it aside and

30

O'Mahoney So yes.

Wright Yes.

O'Mahoney And is this the case, in the course of those discussions, he pitched to you the idea of you acquiring some – we will call it the Siemens software.

35 Wright Well, he had asked me what I wanted and things like this, and I – in talking about automation software and I was there at the conference for that, and he then said he could get hold of this software from Siemens.

O'Mahoney And did he put that to you as a potential investment?

Wright He said he could sell it to me.

40 O'Mahoney He told you he could get hold of it.

Wright Yes.

O'Mahoney Did he tell you that he owned it?

Wright No.

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O'Mahoney So he was indicating that he could source it.
Wright Yes.
O'Mahoney And did he explain how he could do that?
Wright Not at first, no.
5 O'Mahoney Did he at any point in time?
Wright My problem was I didn't have cash, I had Bitcoins, which he said he could source someone else who would take the Bitcoin and for the Bitcoin he could give me the software.
10 O'Mahoney All right. And he – did he explain to you how he could source it at any point in time, this software?
Wright No. I didn't ask.
O'Mahoney You didn't ask. Because I asked you that a minute ago and you said not at first, but I thought you might be about to say that later on he explained how it came to be that he was able to source this software.
15 Wright Not the Siemens software.
O'Mahoney No. Okay.
Wright I just assumed that he was as successful as he made out.
O'Mahoney All right.
Wright He talks a really good game when he wants to.
20 O'Mahoney Was he indicating that he was working for Siemens or that he had a relationship with Siemens?
Wright No. He was a mining contractor. He was dealing with a company called Paynes Find Gold.
O'Mahoney Paynes Find Gold.
25 Wright Yes.
O'Mahoney Yes.
Wright And - - -
O'Mahoney How do you spell that?
Wright P-a-y-n-e-s Find Gold.
30 O'Mahoney Okay. And what, in that context he raised the ability to source this software.
Wright Yes.
O'Mahoney Is that right?
Wright He said he knew a lot of people with money apart from himself; his father and all the rest. He said he had about \$5million in trust that he had father had set up, and other money. He gave me a whole lot of contacts, mostly of the porn industry. The porn industry has money. Like the guy from the adultshop or whatever it was he had.
35 O'Mahoney He shared with you some contacts, but specifically on this Siemens software, he indicated he could source it for you.

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Wright Well, he did a mining contract so what he was involved with was setting up and doing mining contracts, and mining contracts these days are more and more software, hardware, little robots.

5 O'Mahoney And how did it progress from there? It was a topic of discussion; he raised it, he pitched an idea. Tell us about how the transaction occurred.

Wright We went back and forwards for a while because it was bloody expensive.

O'Mahoney The software was?

Wright Yes.

O'Mahoney Did he tell you what the price of it would be?

10 Wright Yes.

O'Mahoney What did he say?

Wright I can't remember but it was in the order of about \$5.5 million for everything I wanted.

15 O'Mahoney Did -- and you, I presume, to get a figure like that, had to be pretty clear with him about what you wanted.

Wright Yes.

O'Mahoney Did you reduce that to writing?

Wright We talked and Skyped and other things, so I've got records in Skype.

20 O'Mahoney But thinking about that, that's a lot of money for software. You wouldn't, I don't think, want to leave too much to chance. Did you reduce to writing what you required?

Wright Yes, everything in the Siemens suite.

O'Mahoney Everything in the Siemens suite.

Wright Yes.

25 O'Mahoney Did you list out what that meant to you?

Wright We talked over Skype about it. It's the full suite of software in that area and there's like quite a list, etcetera.

O'Mahoney Is it -- when you say a full suite of software, is it readily identifiable as a suite?

Wright There are a number of suites, yes.

30 O'Mahoney Does this suite have a particular name?

Wright Yes. I would need to look at the particular things but at the moment I can't remember.

O'Mahoney And at any rate --

Wright There's a number of different things.

35 O'Mahoney Okay. At any rate he mentioned this \$5.5 million figure.

Wright Mmm.

O'Mahoney One -- I mean, I've been involved in a number of IP cases and software-type cases, and one of the issues that invariably comes up is that of licensing, whether or not particular software is licensed, whether it's low value or high value. What discussions did you have about the licensing of this software?

40 Wright I wanted licensed software.

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O'Mahoney And you made that clear to him?
Wright Yes.
O'Mahoney And he said to you he would make sure that it was?
Wright Yes, and I eventually got a licence code in my name, so I'm assuming it's in
5 my name, that it's – there's not another Craig S. Wright out there, that it's just reflected from.
O'Mahoney How long did the negotiations go for in respect of the Siemens software between you and Mr Ferrier?
Wright It wasn't much at first, probably three months.
10 O'Mahoney That's - - -
Wright the other software – the other software at the same time. We were sort of mashed together.
O'Mahoney Okay. And in the course of that – those negotiations, did you ever negotiate in writing with him?
15 Wright Skype.
O'Mahoney Skype's not in writing last time I checked.
Wright Tape.
O'Mahoney So there was some messaging within Skype?
Wright Yes.
20 O'Mahoney And is that recorded? Would you have records of that?
Wright Yes. I believe I've given two keeper copies - - -
Sommers We've got some. We'll get them up to the Tax Office.
O'Mahoney Yes. And tell me this, that – when you formally reached agreement with Mr Ferrier, was that person to person? Did you reach agreement with him in person?
25 Wright No.
O'Mahoney How did that agreement occur?
Wright Over Skype.
O'Mahoney Over Skype?
30 Wright Over Skype.
O'Mahoney Face to face in a virtual sense.
Wright Yes.
O'Mahoney And you mentioned earlier the entity MJF.
Wright Yes.
35 O'Mahoney And we hit a bit of a roadblock, courtesy of my questioning about that. Tell us about how MJF fitted in to this.
Wright Well, MJF was the company that we were dealing with. Mr Ferrier was the director at the time of that. He has now been – I don't know what you would call it, "undirected". ASIC - - -
40 O'Mahoney He has been disqualified, has he?

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Wright I don't know why - - -

Sommers I don't know that he has been disqualified but he's no longer the registered
.....

O'Mahoney Holding that office. Okay. But - - -

5 Wright And he can't get back as holding that office. I don't know what that would be
called.

O'Mahoney Did you deal with any one else from MJF in respect of this transaction?

Wright I emailed some other people.

O'Mahoney Who?

10 Wright I can't remember their names.

O'Mahoney Did you speak to anyone else?

Wright No.

O'Mahoney Did anyone else on your behalf - - -

15 Wright I did speak to one other person briefly. I can't remember her name. It was
.....

O'Mahoney Did anyone else on your behalf negotiate with Mr Ferrier in respect of this
transaction?

Wright No.

20 O'Mahoney And on obtaining or entering into this transaction, how was the software
actually transferred?

Wright What we did was - the way I - well, I wasn't going to give that much money
without my licences so we did an escrow-type deal where I get access to the
software and then they get access to the rest of the key to access the Bitcoin.
So - - -

25 O'Mahoney So you paid - - -

Wright I validated the software, they got the key.

O'Mahoney All right. So you - - -

Wright And that was done over Bitmessage so that the - Bitmessage is a block chain
based messaging service, like email or Skype or something like that, but
30 actually built into Bitcoin.

O'Mahoney Designed to ensure a simultaneous exchange?

Wright Well, no, it's designed to do a message that is secure encrypted and all the
rest, but it can be used to do a simultaneous exchange.

O'Mahoney All right. I just want to understand. Was the \$5.5 million paid via Bitcoin?

35 Wright The value of what - yes, the consideration was in rights to Bitcoin.

O'Mahoney And rights to how many Bitcoin?

Wright I would need to double-check that. It was on the invoice, etcetera. I can't
remember.

40 O'Mahoney And was there negotiations along the lines of how Mr Ferrier was to get paid?
Were there other payments mechanisms contemplated?

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Wright Well, I was only paying him by Bitcoin and he said he didn't want Bitcoin. It was going to go to someone else who was going to distribute it in money.

O'Mahoney All right. And – but you agreed on this mechanism of payment.

Wright Yes.

5 O'Mahoney Interest in Bitcoin, transferring that. The other part of the software, the AlBaraka, if we could call it that

Wright It was all done at the same time so it was - - -

O'Mahoney I appreciate that. What was that software?

Wright A core banking platform.

10 O'Mahoney And what was the value of that?

Wright That was the majority of that transaction. That was – I can't remember exactly, but probably 25 or 30 million.

O'Mahoney All right. And you – how did you understand that Mr Ferrier was able to source that software?

15 Wright He told me how he knew a whole lot of Arabs at first and all the rest. I had been talking about the fact that the ideal for me would be basically a Arabic-type banking platform, because Bitcoin is inflationary, so there's not the typical interest model. It's actually inverted. So I was looking for something along those lines. Core banking software is hard to get hold of, to say the least. The deal I was doing with Temenos, just to have them – their software, I didn't own any of it, was going to cost us probably 10 or 11 million dollars, which we went down the track except we ended up getting out of that because they couldn't deliver. So simultaneously we were doing that and the other one

20

25 O'Mahoney And did he mention to you a particular source of this software, the AlBaraka software?

Wright He told me AlBaraka but - - -

O'Mahoney What did he say about AlBaraka?

Wright He can get me the software from it.

30 O'Mahoney And who did he indicate AlBaraka was?

Wright AlBaraka are a big global bank in places like Egypt and Saudi Arabia and - - -

O'Mahoney And are - - -

Wright - - - Turkey and they've got a website.

O'Mahoney Again, there were negotiations about price in respect of this transaction.

35 Wright Mmm.

O'Mahoney And - - -

Wright As to that one I just it wasn't much of a negotiation.

O'Mahoney Were you happy to accept the price that he wanted?

Wright Do you know how much the Commonwealth Bank spent upgrading their core banking software last year alone?

40 O'Mahoney No, I don't, but - - -

Wright Around 650 million.

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O'Mahoney All right.

Wright Do you know ANZ spent nearly as much?

O'Mahoney No, no. I appreciate your point, a lot of money is spent on banking IT, I just want to -- I mean, in the context of -- I think you would agree this was a big transaction for yo.

5 Wright Yes.

O'Mahoney That 25 to 30 million dollars was a lot of money for you at this time.

Wright Yes. And I would have sold my mother to get that software.

O'Mahoney All right. Well - - -

10 Wright I don't my mother.

O'Mahoney Okay. Tell us this, though, was it the case you were just happy -- you were happy to accept the price he wanted? Were there no negotiations as to price?

Wright It was more on the Siemens software.

O'Mahoney All right.

15 Wright But yes, I was slaving and drooling at being able to get core banking software.

O'Mahoney There are - in the materials that I've read to you there's certainly at least a document indicating that there was an agreement reached between AlBaraka and Hotwire regarding the software. Are you able to -- and it does seem to indicate that at least at one point in time Hotwire had obtained and - - -

20 Wright Well, I was setting up Hotwire to put some of the software into.

O'Mahoney Just let me finish, because I want to give this question some context. There does seem to be some documentary evidence indicating that at one point in time Hotwire had acquired this software, the AlBaraka software. Are you able to point to any documents evidencing a transfer of that software from Hotwire to you?

25 Sommers Sorry, just to approach on that, are you saying that there's a document evidencing this software went to Hotwire, or that there was an agreement between AlBaraka and Hotwire for the software?

30 O'Mahoney The latter, an agreement between those - - -

Sommers Well, that's not what you said. You said the

O'Mahoney Okay. Apologies. I will be absolutely clear, and I'm grateful for that clarification. The document I've seen is an agreement between AlBaraka and Hotwire in respect of the software, and it indicates, certainly on my review of it, that it does seem that it was contemplating a transfer of the software to Hotwire. I'm not - - -

35 Wright That's where I -- that's where I'm saying I was going to put the software. How I actually did it was probably a bit messy. The idea was it comes to me, goes to the trust, gets distributed and then Hotwire was going to pull it apart and do what it needs to do.

40 O'Mahoney Is this the case, was the software at one point in time obtained by Hotwire and then transferred to you?

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Wright No. It was obtained – I physically got it – ideologically got it, couldn't really physically get a copy for this software and download it. I got a copy of it and the resource code and I transferred that.

O'Mahoney All right. And so - - -

5 Wright I probably made a big mess of it because I was – when it came to the core banking software I should have taken more time to make sure things were documented properly and all the rest, but all I cared about was I wanted it and I wanted it now.

10 O'Mahoney So why was there an agreement between AlBaraka and Hotwire? What was that in respect of?

Wright Because eventually were going to end up getting a good chunk of it in Hotwire. So when I was talking with Mark about this, this is where I'm saying I'm going to be putting it so I didn't really think about how the contract was sort of formulated for the distribution. I knew I'm paying for this. I'm going to get what I want and that's, then I put as much effort into making sure our documents were processed properly.

15 O'Mahoney Was it not the case that Hotwire entered into this agreement?

Wright Well, I entered into the agreement.

O'Mahoney Did Hotwire?

20 Wright Well, Hotwire wasn't actually set up. Hotwire was being set up. I was setting up a company that was going to have this so Hotwire was in development, you might say, when this happened. In May of 2013, Hotwire didn't exist. It was planned. I hadn't filled out all the forms, I hadn't got..... but I said this is the company I'm setting up and this is where I'm going to put it.

25 O'Mahoney All right. And do you say that for this software acquisition that there was, it was funded by way of Bitcoin? Is that right?

Wright Rights to, yes.

O'Mahoney Yes, so you paid for this software by way of rights to Bitcoin?

Wright Yes, which were then used to distribute the.....

30 O'Mahoney And are there documents evidencing the transfer of those rights?

Wright Yes.

O'Mahoney Between you and Mr Ferrier?

Wright Yes.

O'Mahoney And did you have rights to Bitcoin with that sort of value?

35 Wright Yes.

O'Mahoney The 5.5 plus \$30 million?

Wright More.

O'Mahoney You had more than that? And are there documents showing that those rights have been transferred?

40 Wright Yes.

O'Mahoney I've also seen some documents indicating that – in fact, I will come back to that.

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- Wright It's not just the rights transfer any more. The actual Bitcoin had been transferred.
- O'Mahoney Well, I was going to ask you. Has Bitcoin been transferred as consideration for those transactions?
- 5 Wright Overseas, yes.
- O'Mahoney That's correct?
- Wright Yes, not in Australia but from overseas, yes.
- O'Mahoney All right. And moving to another acquisition, and I think we're set to finish at 6.30. Is that right? So we've only got a few minutes to go. Another
- 10 acquisition involved Coin Exchange for purchasing software from you through an entity, W & K. Can you tell us about that?
- Wright Well, I didn't really purchase.
- O'Mahoney Of K, well, tell us about your understanding of that transaction to the extent of it exists.
- 15 Wright I had an agreement with Dave. We were going to transfer software into our, into the entity we were creating here in Australia.
- O'Mahoney This is Mr Kleiman?
- Wright Yes. I had set up a company. Everything was going -- I hadn't heard from Dave in a little bit. Next thing I find out he is dead.
- 20 O'Mahoney All right.
- Wright So with 90 per cent of it going through everything and moving everything and doing all the bits and pieces and he died.
- O'Mahoney So you and he were negotiating for the purchase, negotiating in respect of this.
- 25 Wright We weren't negotiating, we were.....partners for years so didn't really negotiate it. This is what we're doing. We talked to each other about it.
- O'Mahoney About acquiring Softwerk?
- Wright No, we al-, Dave already had the software.
- O'Mahoney Okay. What was his software?
- 30 Wright Everything from financial software for the kind of.....chain to gambling software.
- O'Mahoney And Coin Exchange was looking to buy that software?
- Wright We were going to capitalise it into Coin Exchange.
- O'Mahoney What does that mean?
- 35 Wright It was going to be used as part of setting up Coin Exchange.
- O'Mahoney It was going to be transferred to Coin Exchange?
- Wright Yes.
- O'Mahoney And did that ever occur?
- Wright Yes.
- 40 O'Mahoney How did it occur?

Interview Conducted with Craig Wright

Wright I ended up going through the filing of New South Wales Supreme Court and going, these are the contracts, Dave is head. Basically, this is the value and getting them to put their stamp on it.

5 O'Mahoney I've noted those proceedings. Can you just, in a broad sense, summarise how they came about? Was this the case that you had an understanding or an agreement with Mr Kleiman who passed away.

Wright Yes.

O'Mahoney And that on the back of his death, you sought to give effect to that agreement?

10 Wright Yes.

O'Mahoney And was it the case that there was some opposition to that from somebody? No?

Wright No.

O'Mahoney But you moved the court for relief, you moved the court for declaratory relief in respect of that agreement?

15 Wright Effectively, I believe that was at the.....

O'Mahoney But I just want to un-, I just ---

Wright I wanted to make sure that everything was totally legal and all the rest. Dave has other, he's got an estate who Andrew has been dealing with and I wanted to make sure I didn't rip off his estate and just go, "Ha ha, it's my software". I wanted to make sure everything was done legally and above-board so that Dave's heirs get this software which was being more painful than it should be.

20 O'Mahoney What was the value of that software?

Sommers Are you asking what's the ---

25 Wright The two lots, I think, were, it totals 56 million.

O'Mahoney And had you negotiated for that software to be transferred to Coin Exchange with him before he died?

Wright Yes, we had been, we had contracts over east.

O'Mahoney And had you reached a rough agreement as to price with him?

30 Wright How it was going to occur, yes.

O'Mahoney Yes. And was that the figure 56 million-odd that was being discussed?

Wright Yes.

O'Mahoney And how was he to be paid for that?

Wright Dave had already been paid in some right to Bitcoin and whatever else at the time plus there were a number of loans.....that he had taken out..... so.....

35 O'Mahoney A number of loans. What - you leant him money?

Wright I didn't, no.

O'Mahoney But is it the case that \$56 million of value was transferred to him in respect of this software?

40 Sommers Sorry, just to clarify, no money was transferred. The value was transferred to Mr Kleiman because he passed away?

Interview Conducted with Craig Wright

O'Mahoney He passed away. Well, was anything paid for this software before or after his death?

Wright Yes.

O'Mahoney And is that the figure of 56 million?

5 Wright No.

O'Mahoney What was the figure that was paid for it?

Wright Well, I had an interest in 50 per cent of the company, W & K. I didn't run it or anything like that but an interest in that.

O'Mahoney Yes?

10 Wright And there were loans associated with the research and everything we had done beforehand that were sourced from people.....some of the Bitcoin went to pay off.

O'Mahoney So what was paid?

Wright Loans.....

15 O'Mahoney Loans? But when you say loans were paid, what was acquired?

Wright Yes. What do you mean what was acquired?

O'Mahoney Well, the transaction involving what we've been discussing with Mr Kleiman and W & K, what was the transaction that all that resulted in?

Wright Software came into my possession and ---

20 O'Mahoney When you say "your possession," Coin Exchange's possession?

Wright Well, me the trust holder.....into put into Coin Ex.

O'Mahoney Okay, so it came into your -- so that's what came your way -- software.

Wright It came my way and the trust was sort of being formulated, hadn't been, so.....at that stage.

25 O'Mahoney And what went the opposite way for that part of this exchange? What consideration did you pay?

Wright Rights to Bitcoin left to people in Panama.

O'Mahoney In what amount?

Wright I don't remember the exact amount but we're talking 50 per cent of that amount.

30 O'Mahoney And who were the people in Panama?

Wright People in the gaming industry there.

O'Mahoneynamed?

Wright Named?

35 O'Mahoney Was it ---

Sommers Sorry, just -- I'm just trying to be clear here. The Supreme Court proceedings established that -- I thought they established that there was a debt to you from W & K that software was transferred to you and I thought the wash-up of those proceedings were that you effectively released W & K from the debts that it owed you.

40 Wright Yes.....

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Interview Conducted with Craig Wright

Sommers I think that's where the, what value moved from you to W & K, was that the forgiveness of those debts that were established in the Supreme Court proceeding?

Wright Yes.

5 O'Mahoney How did those debts come about?

Wright Basically, because a number of gaming entities in Panama had funded some of our research.

O'Mahoney And ---

10 Sommers And when you say "our" you mean the research that was being done by W & K?

Wright Yes.

O'Mahoney Are there documents evidencing those debts, the creation of them?

Wright Not that I have, no.

O'Mahoney Why not?

15 Wright Because Dave's hard drives are encrypted and no one can get access to them.

O'Mahoney So these debts are in the tens of millions of dollars?

Wright Yes.

O'Mahoney And you, there's not a single document you could point us to that would evidence them?

20 Wright Not

O'Mahoney Do you, it wasn't important to you to have a document evidencing debts of that amount?

Wright I would like to have documents evidencing all of that. None of it was done in Australia; nothing ever happened in Australia; no entity from Australia was ever involved directly with any of that.

25 O'Mahoney I just appreciate that. I'm just thinking out loud. I mean, if I was owed that sort of money I would be pretty keen to have it recorded. You took no steps?

Wright It was recorded. They had all the documents.

30 O'Mahoney In a way that was accessible to me. Did you take any steps to achieve that?

Wright I did accessible to me because trust these guys all the time.

O'Mahoney Officers of the Commissioner?

Wright Tax officers.

O'Mahoney Can I ask is it -- it might be a good question to finish up on. Looking at the pleadings, did you give instructions in respect of the Supreme Court proceedings?

35 Wright What do you mean?

O'Mahoney Well, it was discussed what the proceedings sought to bring about and that was, we don't need to revisit it, but I take it you were instructing lawyers about those proceedings, prosecuting those proceedings, bringing them about. Is that correct?

40 Wright No.

Interview Conducted with Craig Wright

O'Mahoney So who was instructing the lawyers?

Wright I just did it.

O'Mahoney You did it yourself?

Wright Yes.

5 O'Mahoney Okay. Looking at those, the pleading documents in those proceedings, and if I'm using language that you want me to explain, please do – they indicate that the relevant software had been used by a number of entities, including the United States military, an entity, DHS, and there's some reference in some materials I've seen to the Department of Homeland Security

10 Wright Mm.

O'Mahoney Do you say that that is the case, that the software was used by those entities?

Wright Before Dave died, we had gone down the path of getting funding for all of that stuff to be used. SWAMP and other such things are being issued for that. I wasn't involved at all and I don't – Dave was actually a lot sicker than he let on. I didn't realise he was actually ill at all other than - I mean, he'd been in and out of hospital the whole time I've known him because of medical problems from a long, long time ago. And no one knew how bad it actually was with Dave, and it was not expected that he would be dead. He's only a few years older than me and - - -

15

20 O'Mahoney I guess, to wind it up, by way of background, was it the case that part of the value of what was – or this software was, that it had been used by these entities: DHS, US military.

Wright No, it was more – the value was – well, if he had lived, then we were hoping to make - AusIndustry has the scheme here. US Government, DAPA and all the rest actually paid for research. Dave was a US vet and a number of other things, that make it more likely that you can get that funding, and all of us had been in when Bitcoin wasn't worth so much. So, at that stage, we knew we would need a lot more than we had to keep our research going, so we were trying to get every source we could.

25

30 O'Mahoney The Commissioner has done quite a bit of investigative work, if you like, into those alleged contracts and arrangements and it seems that – and I'm sure this has been indicated to you, that there were no such contracts or this software was not being used by US military, Department of - - -

Wright I don't know what was being done. Dave ran that himself. I know we had applied. I know he should have gone through with it. I don't know where it got to and I don't know why he didn't. The only thing I can - - -

35

O'Mahoney But Dave wasn't giving instructions in the Supreme Court proceedings. That has to be corrected, doesn't it?

Wright No; he was dead.

40 O'Mahoney So, are you able to indicate - - -

Wright My indication was that he had filed for the DHS plan; that all the information was in; that it was progressing and I have nothing else saying that he didn't go down that path. I don't know why he didn't complete it. I don't know why happened other than he was in hospital a lot. So all I know is that he had gone down that path, you know, to get funding. What I've found out since was that Dave had actually – he hadn't got all the funding he wanted and Bitcoin wasn't worth so much at that stage, before he died. When he was not in

45

Interview Conducted with Craig Wright

hospital, the total value was in the order of \$2 a Bitcoin and he had hocked his house, hocked everything else and he was in debt by probably \$2 million.

O'Mahoney Okay. Well, I'm grateful for that. We might leave it there and I will just note for the record, it is now 6.34 on 11 August 2014 and we will be reconvening, a week from today, 18 August. Thank you very much, Dr Wright.

5

TAB 878-3

P-173

Case No. 9:18-CV-89176-BB

EXHIBIT

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TRANSCRIPT OF PROCEEDINGS

TRANSCRIPT SENSITIVE

O/N H-431147

AUSTRALIAN TAXATION OFFICE

RECORD OF INTERVIEW

INTERVIEWER: GREG O'MAHONEY

INTERVIEWEE: CRAIG WRIGHT

ALSO PRESENT: ANDREW SOMMERS

CONDUCTED AT: ATO OFFICE

DATE: MONDAY, 18 AUGUST 2014

TIME: 4.31 PM

**TRANSCRIBED BUT NOT RECORDED BY
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WRIGHT, 18.8.14

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Interview conducted with Craig Wright

On the 18TH August 2014

Australian Taxation Office

Interviewers: Greg O'Mahoney

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O'Mahoney For the record it's Greg O'Mahoney at 4.31 on Monday, 18 August 2014 reconvening the interview of Dr Wright. Thank you for coming back, Dr Wright. Could I start, Dr Wright, by saying this: you will remember last week there was a number of questions and answers about the supplies that are the subject of this dispute - - -
10
Wright Yes.
O'Mahoney - - - the ITCs that have been claimed. There is a few discrete questions about those that I will come back to in the course of today. Could we move on to the different question of consideration, and I think you would appreciate that's an important part of this dispute, and could I start with, I guess, the basic question of how were these supplies paid for by Coin Exchange?
15
Wright What do you mean "how were they paid for by Coin Exchange"?
O'Mahoney Well, what was - the position is, as I understand it, that it's asserted that Coin Exchange made some acquisitions and I think it's also asserted that consideration was paid in respect of those acquisitions.
20
Wright Mm.
O'Mahoney We just want to understand what was the consideration, how were these acquisitions paid for, in other words.
Wright Well, there were transfer of rights, as we discussed several times, so software, as in rights to use, etcetera, etcetera, on one side, rights to claim on the other.
25
O'Mahoney So it's clear that you say software flowed one way, that was one part of the exchange.
Wright Mm.
30 O'Mahoney I guess I want to focus in on the other flow, that the consideration going the other way. Can you just explain that, the flow of rights to bitcoin. What does that mean?
Wright The right to call on a number of bitcoin.
O'Mahoney Okay. When you say "the right to call on", what do you mean by that?
35 Wright A legal right to have a number of bitcoin in a wallet aside.
O'Mahoney A legal right to have? How does that differ from actually using bitcoin, paying by way of bitcoin for acquisition?
Wright bitcoin is something in a ledger, so it's - I can have a right to cash in a bank and not have the actual cash.
40 O'Mahoney So is this the case, because I just want to apply that answer to a non-bitcoin situation, is it analogous to this: say you had a pool of gold bars or a pool of cash in a bank, that the consideration was the transfer of an interest or a right to, an interest in or a right to, those gold bars or that cash. Is that - - -
Wright That's fairly much it, yes.

Interview Conducted with Craig WRIGHT

O'Mahoney And how does that work? The entity that acquires the interest, what is it in a position to do with that interest?

Wright If I have a right to gold bars held in a Suisse bank account, such as a gold certificate, what does that entail me, enable me to do? I can transfer rights.

5 O'Mahoney All right. So is that one way of saying that on the gold bar scenario that the person who has the interest transferred to him or her is able to actually call upon them, actually take possession of them or use them; is that what you mean?

10 Wright Within certain sort of conditions, whatever else. If you're talking gold bars, then it would depend on whether you have a numbered or an unnumbered certificate.

O'Mahoney Okay. Can we focus on bitcoin. What does the person who receives the transfer of these rights, what position is that entity or he or her in, in respect of the bitcoin?

15 Wright You have a right to call on or arrange to be transferred or whatever else a number of bitcoins held overseas.

O'Mahoney Does that include a right to useless that bitcoin as, I guess, a currency going forward?

20 Wright As a currency, yes. The terms were sort of set originally which involved it being currency, unless it's overseas.

O'Mahoney Just as an aside on that point, one thing that my research, which is incredibly brief compared to your, in relation to crypto currency has revealed is this, that bitcoins have in their history been very, very volatile in terms of their value. Is that a fair assessment?

25 Wright So is the Australian dollar, so is gold.

O'Mahoney Well, except currencies currencies in gold currencies have volatility as well, but in a relative sense the volatility of bitcoin is quite extraordinary compared to currencies; would you accept that?

30 Wright Zimbabwe dollar, one Zimbabwe dollar can't even buy you a grain of sand at the moment. I believe the typical currency note is now in the hundred trillion dollars in Zimbabwe dollars.

O'Mahoney And equally you could cite the example of the Argentinian peso after Argentina's default, but let's talk in general terms.

Wright Equally, one ounce of gold in the US was a dollar just a hundred years ago.

35 O'Mahoney Okay. But I'm talking more day-to-day, week-to-week, month-to-month volatility, around I accept that in currencies there are in our lifetimes - - -

Wright The the whatever else.

O'Mahoney - - - extraordinary - if I could just finish - there are some extraordinary moves and fluctuations in currencies. Do you accept that bitcoin does have a volatility that is quite extreme relative to most currencies?

40 Wright No. Actually, most currencies would be - I mean, there's over 120 different currencies in the world, and bitcoin is probably about 30th on volatility.

O'Mahoney In the last 10 years what has been the highest value of bitcoin and the lowest?

Interview Conducted with Craig WRIGHT

Wright Approximately \$120, and the lowest, but that's a bad analogy, that's like saying - all right, that's the old statistical joke - my head is in the oven, my foot is in a fridge and on average the temperature is good.

O'Mahoney So what's the lowest point?

5 Wright It started and it has increased. We're talking about something that started from zero value because I couldn't even buy a pizza with it back when I had these things, hence why you guys called it a hobby

O'Mahoney Just so that we have a clear picture, we're talking about a valuation spread that, I mean, might be from zero and I appreciate that that's a starting point and it's not really a realistic low point, if you like, it was an currency at that point in time, but is that really the ultimate spread, about \$120, from very, very low numbers to 120?

10 Wright If I'm right, the ultimate spread will be about 10 million dollars per bitcoin.

O'Mahoney Okay. Which speaks to a very large level of volatility.

15 Wright No. It speaks to the growth of a new currency.

O'Mahoney One issue that just arises, and as I said it's a side point, but when using bitcoin as a form of consideration for substantial transactions, is there a degree of concern about the value of them, the fluctuating value of them?

20 Wright There's an issue with using American dollars in that way. You're not going to get me to say that it's not a currency because it is volatile when it has got 90 other currencies that are actually more volatile than it. I mean - - -

O'Mahoney I have to say, you're a student in bitcoin. I have looked at the charts in bitcoin and I have looked at the charts of the major global currencies - - -

Wright It's an exponential growth.

25 O'Mahoney - - - in the last few years and I have to say if you're saying that the volatility is analogous to major currencies, the charts will speak for themselves, and I don't want to take any more time looking at that. It was just a question about how you accommodate that kind of volatility when you are using bitcoin - - -

Wright It's exponential growth.

30 O'Mahoney - - - in this consideration.

Wright It is not going down all the time; it is going up. A year ago at this time it was around \$1.36.

O'Mahoney All right.

Wright So now it is around the \$500 mark. It is going up and there are - - -

35 O'Mahoney So you say in the last few years it has gone from - one bitcoin has gone from \$1.36 - - -

Wright No, 136.

O'Mahoney 136 to - - -

Wright Around 500.

40 O'Mahoney 500.

Wright Which is a little bit at the moment.

O'Mahoney Can I ask this, that last week we spoke about Coin Exchange being part of a group.

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Wright Mm.

O'Mahoney A group of entities that you controlled that tend to interact with one another commercially.

Wright Yes.

5 O'Mahoney Remember we discussed that, and I want to understand this, how many entities are there within the group that use this funding mechanism, this - - -

Wright All of them.

O'Mahoney All of them? Okay. So that is seven or eight entities that use - - -

Wright Yes.

10 O'Mahoney Do they all use as consideration the same rights to bitcoin in the same source, from the same source; ie, the same trust?

Wright The same group source, yes.

O'Mahoney Yes. So that that Seychelles trust, I think we called it that in shorthand last week, that Seychelles trust is really the funding source for seven or eight entities. They each are able to transact - - -

15 Wright There is a loan that has been to that, yes.

O'Mahoney All right. But each of those seven or eight entities transact using rights to bitcoin held by that trust?

Wright The bitcoin held by that trust, yes.

20 O'Mahoney Can I ask this before I dig into the specifics of how that works, can you tell us what you know about the Seychelles trust?

Wright I know it's a trust in the Seychelles, I know the people who were involved in setting it up, I know I was involved in part and I know why.

O'Mahoney Okay. Can we unpack that. A trust in the Seychelles, who apart from you was involved in setting it up?

25 Wright Dave Kleiman.

O'Mahoney Who else?

Wright Wen.

O'Mahoney Wen.

30 Wright Wen Nguyen.

O'Mahoney Okay. Wen, Wen Nguyen. Who else?

Wright Tim, and I can't remember his last name off the top of my head, and I don't remember the - but I've got - I couldn't tell the other people off the top of my head.

35 O'Mahoney Are there many other people?

Wright No. But you guys have been sent their names before.

O'Mahoney And Tim, tell us about him, what does he do?

Wright He worked for Playboy Gaming.

O'Mahoney Playboy Gaming being?

40 Wright Playboy Gaming.

Interview Conducted with Craig WRIGHT

O'Mahoney What does it do?

Wright Casinos.

O'Mahoney Online casinos?

Wright

5 O'Mahoney Okay. It's a in the gaming industry?

Wright Yes.

O'Mahoney And how do you know Tim?

Wright I was involved with possibly setting up a casino in Australia back for over a decade ago now, about Senator Olsten kyboshed everything.

10 O'Mahoney All right. And so they're the names of the people involved in it. Can you tell us about how it came to be created, the circumstances, if you could just talk us through the circumstances of the trust establishment?

Wright Basically, I had a lot of bitcoin. It was transferred over to be overseas for a consideration of \$5000. Basically because - which was actually higher than the market value at the time. The \$5000 - you know, the whole of the bitcoin that I transferred to even \$5000. The reason being the ATO wanted to call it all a hobby and whatever else and were trying to bankrupt me and I was getting divorced from my wife. I negotiated that I keep these, she could have the business, which she didn't actually go anywhere after she did it, but anyway.

15

20 O'Mahoney Was it your decision to set it up in the jurisdiction of the Seychelles?

Wright Yes.

O'Mahoney And how did these other individuals, Mr Kleiman, Nguyen - it's Ms Nguyen, isn't it?

25 Wright Yes.

O'Mahoney And Tim, whose last name we can't remember, how did they come to be involved?

Wright Well, I talked to Dave and said, "Look, please do this. I know it has value eventually. Take it over."

30 O'Mahoney When you say you know it "has value eventually", what do you mean by that?

Wright I've always believed in bitcoin. I still tell you that it will be at least one - one bitcoin 10 million dollars.

O'Mahoney All right.

Wright And that's probably a low estimate.

35 O'Mahoney Okay. I appreciate you're very bullish on the prospects of as a currency. Focusing - - -

Wright Not just that. I think it will replace the internet or replace smart currency, it will replace contracting, many things that you don't know yet.

O'Mahoney All right. Focusing not so much on bitcoin as an alternate currency and potential source of future value, but on the trust structure, how did it come to be that the trust structure was settled upon?

40

Wright The idea was the trust was set up to promote bitcoin to ensure when things became valuable that it was there for the sole reason of promoting it as a

Interview Conducted with Craig WRIGHT

currency and, in particular, doing anything possible to promote it as a replacement currency to fiat.

O'Mahoney So was that really the remit of the trust to promote and advance bitcoin?

Wright Yes.

5 O'Mahoney And how does it go about doing that?

Wright It's investing in the research I'm doing that will take all of this into something new.

O'Mahoney And how is it so investing?

Wright I'm building a super computer at the moment.

10 O'Mahoney Can you explain how it is that the trust is investing in that super computer?

Wright Overseas interest in bitcoin pays people who are bullish on bitcoin, and there are people out there who are.

O'Mahoney And, what, the trust makes an allocation, does it, each year to entities like that?

15 Wright No the loan.

O'Mahoney The trust lends money to - - -

Wright To me.

O'Mahoney - - - to you in ways that help you promote bitcoin?

Wright Yes.

20 O'Mahoney Or entities that you control?

Wright Yes.

O'Mahoney And tell us about the structure of the trust in materials of its - well, who controls the trust?

Wright Partly Wen and partly other people. I can't remember the names. You guys have got the list. It's in answers I've given. I can't remember all the names off the top of my head.

25 O'Mahoney But in terms of practical control, is it not the case that you control the trust?

Wright No. I can't control the trust. I put terms, conditions, everything like that, how it had to be done when I had Dave set it up. So I don't control it; I can act within bounds.

30 O'Mahoney So how did it come to be that - are all the assets of the trust, they were originally sourced from you?

Wright And Dave.

O'Mahoney And David.

35 Wright Yes.

O'Mahoney And what was the rationale for putting those assets within a trust structure that you wouldn't or David wouldn't have control over?

Wright What do you mean "David wouldn't have control over"?

40 O'Mahoney Well, just if you think about, if one has assets, to put them into a structure that one can't control, I just want to understand the rationale behind that.

Wright I don't want temptation myself.

Interview Conducted with Craig WRIGHT

O'Mahoney So it's a sort of a self-discipline?

Wright In a way, yes. This is going to be spent on bitcoin. If it makes a billion dollars, it will be spent on bitcoin. Not buying a yacht, not buying whatever else. My research and replacing fee of currency. That's what it's doing.

5 O'Mahoney Who are the beneficiaries of the trust? Who stand to benefit from that kind of profitability?

Wright The world. The world. Every single person, apart from government, and in a way government because it will stop debt financing.

O'Mahoney You appreciate that a trust has beneficiaries.

10 Wright Yes.

O'Mahoney Who are the beneficiaries of this trust?

Wright I have a loan.

O'Mahoney And you are?

Wright Sorry?

15 O'Mahoney What does that mean?

Wright Well, I've got a loan. That doesn't mean that I'm a beneficiary per se.

O'Mahoney All right. What does your loan have to do with your relationship to the trust?

Wright The end goal of this trust is promotion of bitcoin.

O'Mahoney But I just want to appreciate - I appreciate that its remit, as you say, is to advance bitcoin and that you say a lot of people stand to benefit from that. Specifically, the beneficiaries of this trust, who are they?

20 Wright I don't know exactly.

O'Mahoney Is that right?

Wright Yes.

25 O'Mahoney How is it that you don't know?

Wright I told Dave not to tell me all the details.

O'Mahoney Why would you request that?

Wright Because I didn't trust these guys.

O'Mahoney "These guys" meaning?

30 Wright Meaning the people who said, "You've got too many degrees. Therefore, you can't claim education any more as an expense", even though it's a valid deduction; for people who said my buying 500 computers was a hobby; for people who said my laying fibre cable in a rural environment was a hobby; for people who complained when I spent a million dollars on computing services and whatever else, that it was a hobby; for people who said all of this.

35 O'Mahoney Sorry, is the short answer to that question officers of the Commissioner of Taxation?

Wright Sorry, what do you mean, sorry?

O'Mahoney Well, you keep referring to "the people". I just want to understand who they are?

40

Interview Conducted with Craig WRIGHT

5 Wright Well, yes. I didn't trust them at the time because I went forth, I asked them questions, I said, "How do I do these sort of things?" I got instructions in writing about how I transmit and transfer stuff between myself and the company I was setting up, being told I had to put GST on it and then I end up basically having to fight for the next several years on what I was told to do, and the same here is I went to you guys and did a PBR and got a formal private ruling saying this is what I have to do and basically give everything to everyone, say "These are my wallets", get stat decs along those lines, go to the Tax Office say, "Look, this is what I want to do", and yet end up being pulled apart again.

10 O'Mahoney In part of that answer you referred to having to charge GST in respect of transactions between entities you controlled.

Wright Yes.

O'Mahoney Was that a source of annoyance or frustration for you?

15 Wright It would have been much easier just to do a transaction without all the GST, yes.

O'Mahoney Why do you say that?

Wright Because if it's a negative and a positive cancelling each other, then no one wins, and it's a situation where you pay five million dollars and collect five million dollars. I mean, it's only the external stuff that matters and I tried to explain that to people and they said, "No. You have to do it this way. This is how it works", so yes, I would much prefer not having to do a pop-up plus and minus on GST on entities and when there's no net difference.

20 O'Mahoney When you say that people told you, you have to do it that way, are you talking about officers of the Commissioner?

25 Wright Yes.

O'Mahoney Did you have accountants who were advising you in respect of GST liability?

Wright Yes.

O'Mahoney And they weren't saying that to you?

30 Wright Well, actually, people like Andrew have now - as a lawyer have said I can do it different ways. No one told me that I could do an agency agreement where I have absolute get out of the tax.

O'Mahoney When you say "different ways", can you flesh that out a bit? What are these different ways?

35 Wright Andrew would have to explain that one to you. I pay an expensive lawyer to write out documents that say GST neutral, so get him to explain it.

O'Mahoney Okay. But one example you just gave there was an agency agreement to get out of the tax.

40 Wright But it's not get out of the task; it is a zero. A hundred thousand, a hundred thousand; plus a hundred, minus a hundred.

O'Mahoney All right.

Wright There's no getting out of paying tax.

O'Mahoney Coming back to the structure of this trust, is this a fair summary of the position: you've transferred valuable assets to the trust.

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Wright I valued all of that at \$5000 which was actually \$500 more than the market value of everything at the time.

O'Mahoney Assets of some value to the trust?

Wright Yes.

5 O'Mahoney That trust has been used as a funding source for seven or eight entities that you control?

Wright Yes.

O'Mahoney Over a sustained period of time?

Wright Yes. Via loans, yes.

10 O'Mahoney And you say that you are not aware of who the other beneficiaries of the trust are.

Sommers I don't think Dr Wright used the term "other beneficiaries". Dr Wright said he didn't know who the beneficiaries were full stop.

15 O'Mahoney You say that you don't know in those circumstances who the beneficiaries of the trust are?

Wright I know that I can call on bitcoin.

Sommers Pursuant to the loan.

Wright Mm.

20 O'Mahoney So that just strikes me as odd. I'm just speaking out loud, thinking out loud, Dr Wright. Is that the case, that you do not know request who the beneficiaries of the trust are?

Wright "Know" is a different word than "suspect".

O'Mahoney All right. Well, why don't we start with "suspect" and move to "know"?

25 Sommers Greg, can I just stop you there because I'm struggling to join the dots between this particular line of questioning and the entitlement of tax credits.

O'Mahoney Well, we can here pause if you want and discuss that, but I can assure you that it's part of the factual landscape that the Commissioner has to investigate to satisfy itself of the claims that are asserted, and I think for good reason. It's at the heart of the consideration that is alleged to have been paid here to understand what is the structure that held the bitcoin that rights to which or an interest in which was transferred as part of the said consideration.

30 Sommers Just to clarify, none of the assets of the trust have been contended that they formed part of the consideration for any of these transactions.

O'Mahoney I appreciate that. An interest is transferred or rights to.

35 Sommers No. If I can finish.

O'Mahoney Yeah.

Sommers It's only the rights that Dr Wright held pursuant to the deed of loan executed by the trust over the 650,000 bitcoin that were the subject of that deed of loan that had been contended that the dealings in those rights - that those bitcoin held outside the trust were transacted. Therefore, what is in the trust, the beneficiaries of the trust and so on, are entirely irrelevant to the transactions that have taken place because it's only the bitcoin that was the subject of the deed of loan that have been transacted.

40

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O'Mahoney Well, I can safely say that there is a relevance that there are lines of inquiry that the Commissioner is pursuing that would make the structure/nature of the trust very relevant. I don't really want to go through what they are.

5 Sommers Well, I've been told, and Mr have made it clear to me the nature of this and these discussions related only to the GST audit.

O'Mahoney No. That's true. That's absolutely right.

Sommers And consequently I can't see the connection.

O'Mahoney Well, can I say this, I'm almost through the questioning on the trust. There's two or three more questions to go. If you think that we're dwelling on it for too long, could you mention that, but if you don't mind I will ask two or three more questions and move on.

10 Sommers Sure.

O'Mahoney If you're happy with that. Can I ask Dr Wright, who do you suspect to have been the beneficiaries of the trust?

15 Sommers I wouldn't answer that. It's entirely irrelevant.

O'Mahoney Who do you know to be the beneficiaries?

Wright I don't know. I told you that one; I suspect.

O'Mahoney Okay. So you don't know who any of the beneficiaries of the trust are?

Wright No.

20 O'Mahoney And you say that is because you asked Mr Kleiman not to tell you?

Wright Yes.

O'Mahoney Can you just recall for us that conversation? Obviously, it's not a memory test, but to the best of your recollection what did you say and what did he say?

25 Wright Andrew has seen some of the emails. Do you want the full or do you want the nice version?

O'Mahoney Full.

Wright There was a lot of swearing and a lot of abuse at the ATO. I called a lot of people a lot of names and occasionally we talked about the trust. There was a lot about Mr Westwood, there were a lot of - I was rather frustrated at the time comments and, basically whatever we were doing, take this off to and we will do this overseas any way we can and make sure that we set it up so that, well, at the end of the day we we wanted.

30 O'Mahoney All right. Could I ask Mr Nguyen or Ms Nguyen you mentioned before.

Wright Mm.

35 O'Mahoney Apologies if I haven't pronounced her name correctly. On the trust document she's identified by reference to Design by Human, a company. What do you know about that company?

Wright Just the - I've now taken it over and whatever else. It was reserved by Dave in 2012. I don't know why he did Design by Human.

40 O'Mahoney We've got some information that as at mid-2013 it was more or less a dormant shelf company.

Wright It's still basically a dormant shelf company.

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O'Mahoney It is. Do you know how it came to be that a person purporting to be or how that entity came to be involved in settling a deed document?

Wright A shelf company can settle a deed document as far as I know.

5 O'Mahoney And we've also got some information that Ms Nguyen was not at that time either a director or a shareholder of that company. Do you know how it came to be that there was that association asserted between Ms Nguyen and Design by Human?

10 Wright I know that our accounting practices in the group have not been the best. I know that we haven't filed things correctly. I know Dave didn't, I know I haven't, I know Nguyen hasn't. I know we're doing our best to try and fix things. I know that I'm paying lots of money to KPMG and accountants and Andrew and everyone like that to basically go away with these things and I know things are still a mess. I know that we've had board notes that haven't been filed with ASIC correctly. I know that we've had lots of these sort of things. My speciality isn't as a company secretary or anything like that.

15 Nguyen's from she was still young and - - -

O'Mahoney What's Ms Nguyen's involvement in the group?

Wright She was involved back from around 2011 with us. She wanted to learn, wanted to do whatever. I involved her because anything she could do she would.

20 O'Mahoney Is Design by Human a company that you consider to be part of the group?

Wright Part of the current group? Yes.

O'Mahoney Was it part of the group as at mid-2013?

Wright Mid-2013, yes.

25 O'Mahoney And there's reference no document to another entity, Permanent Success. Is that another company that you know of?

Wright Yes.

O'Mahoney Is that also a company that was part of the group?

Wright Yeah, but it's not really doing anything.

30 O'Mahoney It's a dormant company, is it?

Wright Yeah.

O'Mahoney A sort of shelf company?

Wright Just holding assets.

O'Mahoney The Craig Wright RND has an entity. What does it do?

35 Wright Well, that's me, effectively.

O'Mahoney Is that a company that you really control for your own benefit?

Wright It's a business. Me.

O'Mahoney Yes. Okay.

Sommers The ABN belongs to Dr Wright as an individual.

40 O'Mahoney Okay. And broadly, you don't need to go into the detail of this, but broadly what does it do as an entity?

Wright I do research.

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-
- O'Mahoney All right. And does it transact?
- Wright Yes.
- O'Mahoney Is it an entity that pays you, is it an entity that you use to invest?
- Wright It's my business.
- 5 O'Mahoney Okay.
- Sommers I don't think you understood. It's Dr Wright individually. It's not - for some reason it has the nomenclature Craig Wright RND, but it is Dr Wright individually.
- O'Mahoney All right.
- 10 Wright Yeah. It's just a business name associated with me individually.
- O'Mahoney Okay. And just one point of clarification. Reviewing the transcript from last week, there was a number of references in the transcript to a trust that was set up in Panama.
- Wright Mm.
- 15 O'Mahoney Can you tell me what that trust is?
- Wright No.
- O'Mahoney You know nothing about it?
- Wright I know that it's there and I know that, but I don't know all the details. It's all on Dave's hard drive and we can't do anything.
- 20 O'Mahoney What is its connection to the business activities of the group?
- Wright It was involved with funding things in WNK and research.
- O'Mahoney In WNK?
- Wright Yes.
- O'Mahoney And how did that come about?
- 25 Wright I don't know.
- O'Mahoney What do you know about it?
- Wright I know that it was there and I know that Dave was involved with a few people I know of in Panama and Cost Arica.
- O'Mahoney And who are they?
- 30 Wright They're people from the gaming industry.
- O'Mahoney Do you know their names?
- Wright They're on the list I've sent.
- O'Mahoney Okay. And is there an ongoing association between group entities and that trust?
- 35 Wright I don't know. I don't know that trust.
- O'Mahoney But you know the group entities?
- Wright I know people who have dealt with Dave.
- O'Mahoney I just want to be clear based on knowledge of the entities within the group, do they have a connection with this Panama trust?
- 40 Wright I don't know. Well, my entities in the group - or, sorry - - -
-

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O'Mahoney We've been talking about seven or eight entities that - - -

Wright I have nothing - I have nothing more to do with the Panama trust. I have no idea about it.

5 O'Mahoney Okay. So the seven or eight entities that you control that we've referred to as "the group", to the best of your knowledge they don't have any connection with this Panama trust?

Wright Not directly. They have a connection to WNK and WNK has a connection to the trust, if you can put that together.

10 O'Mahoney Okay. Well, we might come back to that. I've got a few questions I want to ask you about WNK. Getting back to the operation of the group as a whole, this is an important point, that if it is the case that seven or eight entities, satellite entities within the group, are using the same trust as a funding source - - -

Wright The same loans from me.

15 O'Mahoney I appreciate, the same loans from you, but all by reference to the same trust as a funding source, in the context of the group, courtesy of that single funding source, it must have had finite resources, it must have had limited spending capacity. What records were kept that would reflect how much was left to be able to be used as consideration from that funding source?

20 Wright From the trust or the loan or?

O'Mahoney Well, just what records were kept to indicate how much was left within the funding source?

Wright You mean the loan?

O'Mahoney Yes.

25 Wright There's all the accounting records else.

O'Mahoney But one thing that has occurred to me is that all these entities are really transacting by reference to the same - or using consideration from the same funding source. One important thing would be to have a global picture of how depleted the interest is that can be transferred, what is left, what is already expended. Are you saying that there are records that exist that show - would paint that kind of picture?

30 Wright We've got all the Zero account - like, we use Zero as an accounting source and we've got all the accounting records.

O'Mahoney So is it through those Zero accounting records that you say that you're able to satisfy yourself about what the spending capacity of an individual entity was at any given point in time?

35 Wright Yes.

O'Mahoney And what did they reveal to you, those records?

Sommers You might need to tie that question down a little bit. That's a very large question. What do the accounting records represent?

40 O'Mahoney Okay. But in the context of those records being what pointed out to you was the spending capacity of the group entities, can you explain to us what was it about those records that so enlightened you, that made you aware of what was left to spend?

45 Wright Accounting records

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O'Mahoney Were there global accounting records that were kept that would show the picture of the whole funding source, how much had been sent?

5 Wright Of course not. I mean, each company goes into each individual one. I don't then do a - this is tied that way type thing. I do it the way that standard accounting practices have been told to me to do and I'm hiring an accountant at the moment and I'm getting another one and I've got KPMG and this much goes in there, this much goes in there, this much goes in there. The trust has that. I mean, there are set bloody records. There's different entities, this one, this one, this one, and it's not how much this - in an in globo type thing I have to spend because once it's been transferred there, it's owned by there.

10 O'Mahoney Yeah. I appreciate that. Could I maybe frame the question - - -

Wright So there's not any how much in globo. If I'm part owner of a hundred different companies and I pay them with cash, then quite simply, I don't get to go and in globo I have this much to spend.

15 O'Mahoney No, but Dr Wright, imagine this scenario. Imagine we've got eight companies drawing upon a single funding source called of gold bars that are all using the same funding source to - - -

Wright They don't have the same funding source. They have a capitalisation that we put into them.

20 O'Mahoney Just let me finish pause it's - I'd just be interested in your thoughts about this. They're all drawing upon the same funding source.

Wright No. They're not. They're capitalised individually. Each company is capitalised individually.

O'Mahoney But is, I think you accepted earlier, when transacting, is using the same funding source for consideration. I thought you said that.

25 Wright There is a pool of rights.

O'Mahoney Yes, okay, but just bear with me on this. I just want to run this by you. If seven or eight-related companies are all drawing upon one pile of gold bars to transact with the world at large or with one another, one issue that would arise is the potential for double-dipping, the potential that multiple companies are - - -

30 Wright No. There's not.

O'Mahoney Just let me finish.

Wright No, no. No. I know what you're saying.

35 O'Mahoney Are transacting on the basis of the same store value.

Wright But, look, they're issued a number of. They start with that, they get capitalised into them. There's no double-dipping. There's no double-dipping into an accounting system like that. I'm not going to - - -

O'Mahoney But how could you be - - -

40 Wright No. I disagree. There is no double-dipping.

O'Mahoney How could you be satisfied that there wasn't double-dipping if you couldn't paint a global picture?

Wright Balls if I have a ledger, I don't get to write it off twice. I don't care whether it's dollars or widgets or grain or bitcoin or books. I do it once and it's in a ledger once. I have an initial allocation. I capitalise it into the second one. If I put

45

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20,000 in here, then I have 20,000 to use. If the first thing says - say we start off with 100,000 hand I go, 20, 20, 20, 20 and whatever else, then this one eventually goes down to zero and that one goes 20, 20, 20, 20, 20. There's no double bloody dipping. It's quite simple. You have that goes to there. It's not double-dip because they go from there to there.

5 O'Mahoney Okay.

Wright The same whether it's cash, strawberries, grain, cars, anything.

O'Mahoney Dr Wright, let me comment it this way: as at mid-2013 what was the maximum spending capacity of the group?

10 Wright What do you mean "the maximum spending capacity"?

O'Mahoney How much did the group - we've established that it relied upon the same funding source - how much did it have to spend?

Wright 650 million.

O'Mahoney 650 million dollars?

15 Wright Approximately. If you look at the value of bitcoin and the amount transferred.

O'Mahoney And what would be the best document for us to look at to see that?

Wright When you look at the loan document, the amount transferred, you can look at the - just go to xe.com, have a look at what it's actually valued at and it's on a public website.

20 O'Mahoney So just be clear, just be clear, the spending capacity of the group was 650 million dollars as at mid-2013. That's your recollection?

Wright Yes.

O'Mahoney And as transactions were entered into it, presumably, that spending compassion decreased; is that true? As transactions are entered into - - -

25 Wright External transactions, yes.

O'Mahoney But not internal ones? I'm just wondering why you made that distinction.

Wright Well, because if I paid

Sommers

Wright You said the group, okay.

30 Sommers You did say group.

Wright If I go from group to group, then the group doesn't change. There's no bloody double spending here. Don't try and catch me with that bullshit because, look - - -

Sommers

35 O'Mahoney Dr Wright, there's no one trying to catch you with anything. I'm trying to ask questions that enable clarification and - - -

Wright If it goes from group to group and you're saying does the group change? No. That simple.

Sommers So an intragroup transaction doesn't deplete the resources of the group taken as a whole.

40 O'Mahoney No.

Sommers That's all Dr Wright is saying, I think.

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O'Mahoney Okay.

Sommers Whereas an extra-group transaction, a group transaction from a group member to an external party will deplete the sources of the group.

5 O'Mahoney And, in any event, is the net effect is that at any point in time there's no record that could paint a picture of the financial position of the trust and show how much has already been spent by way of interest transfer?

Wright Are we talking - - -

Sommers The trust or the loan?

Wright - - - the trust or the loan?

10 O'Mahoney The loan, the funding mechanism.

Sommers So Greg is asking at any point in time could you identify how much was left of the loan that was unexpended?

Wright Of course I could. I go and I look at the accounting sources and I have I go - I add it up.

15 O'Mahoney All right. Was there a record of that?

Wright Yes.

O'Mahoney There was?

Wright Yes.

20 Sommers Is there a single document or is it able to be aggregated out of the Zero records?

Wright I have a set of ledgers, not a single ledger. Each individual entity in the group has its own ledger.

O'Mahoney All right. I mentioned earlier that consideration, I think you understand, is an important part of the dispute.

25 Wright Mm.

O'Mahoney Whether or not there was consideration.

Sommers Actually, I would say it's entirely irrelevant.

O'Mahoney All right.

30 Sommers And we've made this submission to the Commissioner on the basis that they're accruals-based taxpayers and provision of the consideration has nothing to do with their ability the provision has nothing to do with their ability to claim an input tax credit. So I would like you to bear that in mind.

O'Mahoney Certainly, and that's a point on which minds might differ, but can I ask this - - -

35 Sommers I beg your pardon?

O'Mahoney I said that's a point on which mind might differ.

Wright How?

O'Mahoney As to whether or not consideration is an issue - - -

Wright How?

40 O'Mahoney - - - in this dispute.

Wright How?

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O'Mahoney Well, I want to ask you a question that just is quite specific. You have been asked some questions by the Commissioner about how these transactions were paid for; is that correct?

Wright Yes.

5 O'Mahoney And in answering those questions you've sought to give honest accounts.

Wright Yes.

O'Mahoney Could I just show you one document that I've been shown which is - I guess it could be summarised as a Q & A type document and it's titled "Items for Clarification". I will just show you the document. If I could draw your

10 attention, I've got it marked here. It's question 1 and the answer to question 1. I should just read it onto the record. The question is, "Coin Exchange claim GST credits on the DeMorgan invoices totalling 38-odd million dollars. The tax invoices stated that they were paid. When and how were they paid? If paid by bitcoin, how did Coin Exchange obtain the bitcoins?" and the answer

15 on this page is, "Coin Exchange received bitcoin as a shareholder capital subscription event. Payment details are in Zero. They are paid in bitcoin. This is reflected in the total equity for the company. The sale follows the format I was instructed in writing by the ATO to use. The IP transfer is for banking software sold from Baraka." Do you want to just have a quick look at that document?

20 Wright Mm. Is that answer correct?

Wright It's one way of putting it. It's not the full thing. It doesn't go into the exact details of all of that. It doesn't go into how the transactions occurred and it doesn't go into the rights and issues and whatever else which got drilled down

25 into again and again and again.

O'Mahoney But there's no mention in that answer at all, correct me if I'm wrong, of rights of loans of equitable interest; is that right?

Wright How I did a loan - - -

Sommers What daylight is this

30 O'Mahoney I will get instructions on that. Do we have - do we know the date that was - - -

Wright I can find them for you

Sommers Every date's our - my concern in relation to this is this is a document that was prepared and answered by Dr Wright without the benefit of legal advice.

O'Mahoney Okay.

35 Sommers It wasn't until the meeting we had in February in 52 Goulburn Street where I represented Dr Wright that we were aware of the difference in the way in which transactions had occurred, the difference between what Dr Wright saw as transactions involving bitcoin and the way in which they were actually

40 done, and it was at that meeting I became - well, prior to that meeting, and we sought to explain it to the Commissioner at that meeting, attempted by and Mr Lieske that, actually, there had been a difference in the way in which transactions had been explained in the past and the way in which we now saw them, and we were quite upfront and honest in relation to that difference, and following that meeting Mr Cheshire and Mr Miller here were tasked with by

45 Mr Lieske for the Commissioner were tasked with the process of - this is our understanding of the transactions having now got the benefit of legal advice in relation to them, let's have an impact in relation to business activity statements. So we have been through this at considerable length

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O'Mahoney No. I appreciate that.

Sommers - - - transcript in relation to that February meeting.

O'Mahoney I appreciate that.

5 Sommers We were quite clear in relation to there had been a change in the way in which we had seen the transaction. So this evolution in the thinking is neither new nor is it novel in relation to this particular matter - - -

Wright

10 Sommers - - - and the difference, as I explained at that meeting, was if you see bitcoin as money, as currency, transacting in equitable rights in relation to currency is, you know, in many ways the same as dealing in money in the sense that you're moving around a company sharing the common bank account. It's no different in Dr Wright's mind to a group of companies sharing a common bitcoin wallet, but in reality there was no transfer in relation to the bitcoin from one wallet to another. In those circumstances where there is no movement of
15 bitcoin from one wallet to another, it's difficult to see there has been a "payment in bitcoin".

O'Mahoney So - - -

Sommers So I'm not quite sure of the point of going back to a document that specifically predates - - -

20 O'Mahoney I just want to - - -

Sommers - - - a disclosure to the Commissioner about the way in which the transactions have been treated and the difference in the evolution on that thinking.

O'Mahoney But the point is, I guess, to ask Dr Wright for some explanation as to the inconsistency, and it's only - - -

25 Sommers

Wright Because I call it money.

Sommers I think there's

Wright I keep it calling it money; I call fiat crap.

30 Sommers I think there's an explanation to that inconsistency on the record in relation to that February meeting, and I would refer you to that.

O'Mahoney Right. I appreciate that. The - - -

Wright I keep saying that - - -

Sommers Craig - - -

Wright Sorry.

35 O'Mahoney If I could ask this: beyond what has just been said, Dr Wright, are there any other reasons why there was no mention made at this stage of the interest, the equitable interest that was transferred - - -

Wright What's it got to do with GST?

O'Mahoney - - - for the consideration.

40 Wright What's it got to do with GST?

O'Mahoney I just want to understand - - -

Wright I was being queried on GST.

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O'Mahoney - - - there's just no mention here to - - -

Wright What has it got to do with GST? In I get a loan from a bank and fund things, what does it have to do with GST?

5 O'Mahoney I'm just trying to understand this answer, Dr Wright, and I don't think that's responsive.

Wright Well, no. I get a loan. I have money in the ledger that is my bank account, because it's not actually money, it's a ledger. I have to pay back that loan and have interest. I buy something with the money that is now in the ledger that is my bank account using my credit card. It is consideration. Do I go to you and go, "Oh, well, actually, I funded this using a loan and paid interest" for a GST query. Where do I get that - I'm sorry, you keep saying that, basically, this is something separate. I call bitcoin money. I don't care whether you do or not. It is.

10 O'Mahoney Out of fairness to you, can I put this to you: is it the case that the position, that your position in terms of how payments were made for the relevant supplies changed following modification from the Commissioner of the Commissioner's position as to the tax consequences of using bitcoin - - -

15 Wright No.

O'Mahoney - - - as consideration? All right.

20 Wright It was always set up so that bitcoin would never come into Australia until there was a tax position. I had been approaching people in the ATO not just - for ages before that. I slowly worked my way up to dealing with Michael Hardy. I'd been trying to get all this dealt with, with him.

O'Mahoney Okay.

25 Sommers And there's an annotation on the deed of loan to that effect.

O'Mahoney Tell me this: when these entities transact with one another using the consideration that you've referred us to, how is it reflected in the books and records of the individual entities? How is this, the consideration, reflected in the books and records of the separate entities, the financial accounts?

30 Wright With rights to a bitcoin wallet and we distribute. We pay invoice and it all gets matched up.

O'Mahoney And in practice what has happened to those rights?

Wright Sorry, what do you mean by "what has happened to those rights"?

35 O'Mahoney Well, if I - let's just say I'm running a business and I sell a whole lot of cricket bats for cash and I obtain that cash and with that cash I might reinvest it in the business, I might expend it on any number of things. The interest that is transferred, how is it being used, if at all? Well, what's being done with the consideration?

Wright Into the companies.

40 O'Mahoney Yeah.

Wright Well, first of all, we capitalised so that we had the shareholding done for each of the entities. It's not just me. That's why the knock-on thing, they're all different. We put in the value of the software that we purchased, the main bit being the external stuff, and at the moment - and Andrew is working on how I distribute this one without getting into this sort of problem at the moment that we have, which is I've been buying a whole lot of computer equipment.

45

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O'Mahoney All right, but - - -

5 Wright And the current way, Andrew's task is to try and figure out some sort of agency agreement in the trust to each of the things so that there's no GST transmitted internally in the group which I would have loved to have done the first time and not had all this problem. I mean, the idea was not to have to go negative, positive or anything like that. It was just to capitalise the damn things.

10 O'Mahoney Can I just ask what you mean by that? The first part of that answer you gave immediately before then was you said "the first thing we did was capitalise them", or you used the word "capitalise". What do you mean when you use that word?

Wright What do you mean? What do you mean "capitalise"? "Capitalise" is a fairly standard word. It's put the value of capital in.

15 O'Mahoney Well, in talking about what was done with the consideration, how does that word "capitalise" apply?

Wright I issue - say I have a 10 million dollar capitalisation, I issue something to the value of 10 million dollars to a particular entity.

O'Mahoney And is that what you did?

Wright Yes.

20 O'Mahoney And did Coin Exchange, did the entities that transacted with Coin Exchange do that?

Wright Yes.

25 Sommers when - stop, rewind. When you say the entities that transacted with Coin Exchange, do you mean the shareholders or do you mean the company, the contracting parties?

O'Mahoney It's just not clear to me what is done with - when you say the consideration is used to capitalise bit, to inject funds into - - -

Wright Yes.

O'Mahoney Do you mean that? Okay. So how does that - - -

30 Wright Shareholders put funds in companies.

O'Mahoney All right. So I understand that and I certainly understand the idea of capitalising, using capital to improve the financial position of a company. How does the transfer of this equitable interest in bitcoin achieve that?

Wright It has value. You're losing me. I mean - - -

35 O'Mahoney Well, how - - -

Wright - - - bitcoin is money. You can argue all you want. It is money.

O'Mahoney Okay, but how is it that having received this equitable interest in bitcoin, how is it that a company is able to strengthen its capital position?

40 Sommers Sorry, are you saying that you don't accept that the equitable interest in the bitcoin is an asset?

O'Mahoney Well, I'm just curious to hear from Dr Wright about how it is that this interest is able to capitalise as you say, the company.

Wright If I have the right to gold bars and I transmit for shares, then I've capitalised a company.

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5 O'Mahoney Right. Tell us this, the - I will ask you some questions now about the entity WNK, and we touched upon this a little bit last week. There's a number of questions that arise in my mind in respect of WNK, and I will just go through them one-by-one. The first is I understand from the Supreme Court proceeding pleadings that we discussed last week that there's reference in there to a transaction between yourself and WNK that occurred in something like January of 2009.

Wright Yeah.

10 O'Mahoney That occurred in the financial year that - - -

Wright Well, not January 2009. That's incorrect.

O'Mahoney All right, that occurred sometime in 2009. I don't think the specific date is important.

Wright I think it is.

15 O'Mahoney Well, not in this sense. We've got some information that WNK wasn't in existence at that time. How is it possible that prior to its - - -

Wright The transactions happened after the ATO issues, so that was 2010/11.

O'Mahoney I have seen in the pleadings some reference to some early transfers involving WNK that date back to 2009.

Wright And my pleadings probably are incorrect in a few places.

20 O'Mahoney But you gave instruction in respect of those pleadings.

Wright I wrote those pleadings.

O'Mahoney Right.

Wright I told you that last week.

O'Mahoney Okay.

25 Wright And, no, I'm not professional qualified as a barrister and I don't do good pleadings all the time.

O'Mahoney No. I know, but - - -

Wright It was meant to be a non-hostile-type thing where the value of a contract that was signed just days before someone died was meant to be finalised. That was it.

30 O'Mahoney All right.

Wright If David died a week later, it would have been finalised, and - - -

O'Mahoney Was it part of the problem that his illness was very sudden and his death was quite sudden; is that - - -

35 Wright His death was very sudden, yes.

O'Mahoney But had he been ill for some time?

Wright In all the time I've known him, but I didn't expect him to die.

O'Mahoney No. I appreciate that.

40 Wright I mean, he was in a wheelchair the whole time, and bloody lied and said how well he was doing and everything like that. "Oh, I'm just going to hospital for X, Y, Z. Oh, I will be out again soon", and he was still working in the damn hospital, so what am I meant to think.

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- O'Mahoney Yeah. Okay. So when we see in the pleadings references to WNK transfer - a transfer involving WNK in 2009, which is prior to its inception, how are we to - I appreciate you're not legally trained, but how does one reasonably look at the assertion that an entity transacted prior to its existence?
- 5 Wright You look at the emails and everything like that, that I had as supporting documents that deal with the transfers, the ones between myself and Dave, and look at the dates there.
- O'Mahoney All right. Moving on to another point of connection with WNK, there have been representations made to the Commissioner, as I understand it, that there were transfers of interests from WNK to you and then from you to DeMorgan in July 2013. Does that accord with your recollection?
- 10 Wright Yeah. I put everything to myself and then to the trust. The trust wasn't set up correctly and whatever else at first, so none of that happened as smoothly as I would have liked.
- 15 O'Mahoney Okay. And by "everything" I think you mean IP sort of the software? So in the first instance it's transferred from WNK to you, and I think the date for that, that we've been given is 9 July 2013, and some days later there's a transfer from yourself to DeMorgan?
- Wright Sometime in that quarter, yes.
- 20 O'Mahoney Okay. Now, the first point is - - -
- Wright It was meant to actually happen at the beginning of that year, but - - -
- O'Mahoney Okay.
- Wright - - - with Dave dying and all the rest
- O'Mahoney It was delayed.
- 25 Wright Yeah.
- O'Mahoney We might come back to that. The first question I want to ask you about this is the information we have which does appear to be pretty solid is that as at July 2013 WNK had actually been dissolved. It had been subject of - - -
- 30 Wright Administratively dissolved because it hadn't paid a fee. The same as if I don't pay it to ASIC, that is - was paid subsequently and that is all forgotten. Basically Florida law is you don't pay your fee on time you're gone. You pay your fee and even if it's late, and the companies existed as if it never disappeared. It is not like it has been struck off here in Australia as in ASIC have made it a deregistered company. It's not the same thing. And I'm not an expert in Florida company law and I didn't go into what Dave was doing with the company and how well he was managing or anything like that. Wen didn't even know she needed to bloody pay things or file anything.
- 35 O'Mahoney Did you have the connection with WNK?
- Wright Yes.
- 40 O'Mahoney What were your points of connection with it?
- Wright I was a shareholder and I was a friend of Dave's.
- O'Mahoney And you were a shareholder at the time at which it became administratively dissolved?
- Wright Yes. And no, I wasn't informed.
- 45 O'Mahoney You weren't informed?

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Wright No. At any point.

O'Mahoney When do you say you became aware that there was this issue?

Wright When you guys basically Tax Office said, "Ah-ha, it's been
5 administratively dissolved", and then I called Wen and went, "Do you realise
you have to pay the corporate fees?" and she went, "What does that mean?"

O'Mahoney And - - -

Wright And then I said, "Well, we're going to put you through a director's course."

O'Mahoney And do you say that you've been told that or you understand that companies
that are administratively dissolved in Florida are able to transact?

10 Wright Any transaction that they've done is considered valid as long as the has
been reinstated.

O'Mahoney And what's given you that understanding?

Wright People from Sunbiz.

O'Mahoney What's Sunbiz?

15 Wright Sunbiz is the equivalent of ASIC in Florida.

O'Mahoney And tell us this: that's the first part of that, I guess, transfer, set of transfers,
the transfer from WNK to you, and then we know about the transfer from you
to DeMorgan some days later in July of 2013. The curious thing about that
20 latter transfer is - and I'm sure you're aware of this - that that transfer predates
the establishment of the trust and the registration.

Wright No. It predates the registration of the trust.

O'Mahoney The registration of the business. When you say it doesn't predate the
establishment of the trust, what do you say is the date of the establishment of
the trust?

25 Wright Properly established or initially made a mess of?

O'Mahoney Okay. Well, let's go through both of those.

Wright Initially it should have been back in June.

O'Mahoney June of which year?

Wright 2013.

30 O'Mahoney Okay. So you say the trust should have been established about a month
before this transaction?

Wright Yes. It was finally done correctly and fixed in late September.

O'Mahoney Okay. And why do you say it should have been established then?

Wright Because I paid lawyers to establish a mere trust.

35 O'Mahoney Who did you pay?

Wright Lloyds.

O'Mahoney And with what? Did you give them specific instructions to have a trust
established as at June 2013?

Wright I wanted it as soon as possible.

40 O'Mahoney When did you give those instructions?

Wright I first talked to them in June 2013.

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O'Mahoney Say that again?

Wright June 2013 ask when I first started talking.

O'Mahoney When you first started talking, when did you give specific instructions about establishing a trust?

5 Wright Off the top of my head, I don't know.

O'Mahoney Would you have documents indicating - I think you've indicated that you - it should have been established in June of 2013 pursuant to instructions you gave.

10 Wright I've got documents to Jamie Wilson bitching about the fact that it wasn't set up correctly.

O'Mahoney Okay, but what about - would you have any documents that show that you gave instructions for a trust to be established by June 2013?

Wright I didn't say by June - - -

O'Mahoney Or during.

15 Wright I said - I said I want to set up a trust.

O'Mahoney Okay. Wanting something is one thing, I think you would appreciate, and having it happen is another. When - - -

Wright Yes. But if I go to a lawyer and say, "I want you to set me up a trust", I'd generally expect that it will happen.

20 O'Mahoney All right. And I'm just asking would you have the records that indicate when you wanted that to happen by?

Wright As soon as they could.

O'Mahoney It was the instructions more specific than that?

Wright No. I didn't say set me up one on 13 June or anything like that. I just said - - -

25 O'Mahoney Okay. And when did they set up the trust?

Wright The first iteration was in July; the second iteration, and that was the crap document - - -

O'Mahoney Which document is that?

30 Wright It was a trust deed that was wrong, all the names were wrong, everything else walls wrong. It came back in August.

O'Mahoney Who was named in that trust deed?

Wright I can't remember.

O'Mahoney You say the names were wrong.

Wright There was no mention of my current wife or anything like this that I wanted.

35 O'Mahoney Okay. So the names of the actual parties to the trust were wrong?

Wright Yes.

O'Mahoney And how does that come about?

Wright Jamie was useless. I left Jamie in charge to do some things and Jamie, God knows what the fuck he did. Excuse the language.

40 O'Mahoney All right.

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Wright I have a bit of animosity with Jamie, as you might guess.

O'Mahoney And you say this, that the wrong names were plugged into that trust; is that right?

Wright Yes.

5 O'Mahoney And when was the actual trust established?

Wright In September.

O'Mahoney So, again, we've got this issue, and I would be grateful for your input on it, how is it that a transfer of significant value was made to a trust prior to its establishment and registration?

10 Wright The transfer didn't actually occur until September.

O'Mahoney Well, I - - -

Wright They were - I mean - - -

O'Mahoney I'm pretty sure I've seen - - -

Wright - - - the actual - - -

15 O'Mahoney Sorry, I - - -

Wright If you look at the things, the actual transfer happened in September. It was backdated. It was meant to happen in the beginning, so the actual transfer happened when everything was there, but if you look at the logs and everything like that in Zero, it all says when it actually occurred, which was - I don't remember the exact date, but in September. I didn't really care because it was still the same quarter. I mean, yes, Andrew and everyone calls me up and says, "No. You can't do that", but at the end of the day I don't see why it's such a big issue because July, August, September, it's the same GST reporting quarter. So the fact that I've got something in Zero that's not actually totally correct - yes, it's a muck up and, yes, I'm trying to do thick better now. I don't do any accounts any more. I don't do any of the legal things. He does the bloody contract management now. I don't do any of that. I'm looking at paying bloody two million dollars a year to KPMG to go through these things so that I don't mess it up any more. That's what I'm doing.

20

25 Instead of running my bloody business and actually doing my research, I'm spending my time administratively for half my time trying to make sure the ls are dotted and whatever else when it makes no difference. I know everyone gets upset. You say a difference. It's me - something I did to something I did where it cancels out. These ones we're talking about are all zero value.

30

35 O'Mahoney So just to be clear on that, Dr Wright, do you say that if a company or a trust was established on 16 July 2014, say, it wouldn't make any difference if it was 16 July or 16 August or 16 September?

Wright If I back - no. If the actual thing happened after the thing really existed and we put a backdated invoice, I don't see why it matters. It's still in the same quarter. It makes no difference to you guys. I know you're being pedantic and you're - - -

40

O'Mahoney But is that what you say happened here, that there was a backdated invoice?

Wright Yes. I can show you that in Zero.

O'Mahoney And by "backdated" you mean - - -

45 Wright I meant I covered the whole period for the year. It was meant to be a year, so I made it 1 July and put "1 July" on the thing because Jamie had fucked it up

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and I went in and changed it and tried to make it correct, and I made a fuck up and I've done that many times and this is why I'm not touching accounts any more, why I have a professional accountant working for me who does all this now, why I have him as my contract management person.

5 O'Mahoney Okay. No. But, Doctor, just to focus, that it's certainly been asserted to the Commissioner that this three-way transfer started on 9 July, WNK to you, then proceeded on 16 July, you to DeMorgan. Do you accept that - - -

Wright The actual thing didn't finalise in the Court until after that. The court said will occur by 30 September, and the actual final date, if you like on it, didn't

10 O'Mahoney So can you explain how it is that the Commissioner has been told that both of these transfers occurred in July?

Wright I did the thing and put an invoice that said July.

O'Mahoney That is clear, but how is it that it has been said to the Commissioner that these

15 Wright Because I still see that's not a problem. You guys do.

O'Mahoney So you think dates are just fungible, that

Wright No. I think it's all in the same period. I think the trust wasn't registered for GST, but it ended up in that same period being registered for GST, so it

20 transacted in that. So, yes, I consider this isn't an issue because no one has been ripped off anything. No one is out of any money. I mean, at the end of the day it's a transaction where it zeros out for these ones.

O'Mahoney So you would say it's a net sum gain?

Wright Net zero.

25 O'Mahoney Okay.

Wright And I don't think that was a problem. I mean, I was already planning it before then, I was planning the trust, I was planning everything else. I went to the ATO and told them that I was planning all of this, actually months before, and that's how I got the PBR. So it's not like I've gone and tried after the fact to

30 hide anything. I went to the Commissioner and said, "Look, this is what I've got", and they went through everything about how I'm doing it before they gave me the damn thing.

O'Mahoney But what has happened in that process, Dr Wright, in fairness, is that you've gone to the Commissioner and said that two transfers occurred in July of

35 2013. The Commissioner has looked at those transfers and seen that the second one predated the existence of one of the parties to the transactions. You can see the issue that arises.

Wright Then I will change the date on the invoice to actually when it occurred, which is in September, which is the same quarter which makes no difference.

40 O'Mahoney Okay. I will just give you just one more opportunity to answer. You say that, but why was it that it was said that both of these transfers occurred in July of 2013?

Wright Because I'd planned to have them transferred then.

O'Mahoney So was it aspirational recording of dates?

45 Wright If I have a trust - I mean, a trust can be in common law set up because I go and say did, "I set up a trust with you." From a common law point of view a

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5 trust doesn't need to be registered for GST or anything like that. The fact that I've been mucking around with a group of lawyers who couldn't get the damn thing right, and it was done in the same quarter, I don't see why that should be a big issue. Why are we doing a - why are we wasting so much time on a zero sum thing?

O'Mahoney Let's move to another issue, Dr Wright. Last week we spoke about the software from Siemens.

Wright Yes.

10 O'Mahoney And you indicated that it was - there was specific types or classes of software that related to - there was within the Siemens software, there were different - I can't remember the word you used, you might be able to assist me, but "suites" of software, I think, might have been the word that was used.

Wright I can't remember

15 O'Mahoney Different suites of software. Can you remember - do you know the names of the suites of software?

Wright Do you remember how many pages there were, Andrew?

O'Mahoney If the answer is "no", Dr Wright, the answer is no, but I'm asking the question: do you know the names of those suites?

20 Sommers I don't understand. The names of the suites of all Siemen software or the names - - -

O'Mahoney No. The ones that we were discussing last week - - -

Sommers The ones were required.

O'Mahoney - - - that were acquired. Yeah.

25 Wright The exact Siemens names, no, but I gave a list to the ATO. You had a forensic auditor come out. A guy who has got a really good reputation for this sort of stuff, and sat down with me and basically looked at all the - he looked at the licencing that was in my name. Yes, I guess there's also a possibility that there could be another Craig S Wright out there who has bought a big whack of Siemen software and I could have just happened to have also had his - - -

30 O'Mahoney Okay. The software itself, have you taken steps to ensure that it's licenced?

Wright Did we go through this? I sat down with the ATOs forensic person and logged into the Siemens site and downloaded software based on my licence in front of them.

35 O'Mahoney But has it become an issue for you whether or not you did obtain licenced software?

Wright It's in my name. I don't really care. If there's another Craig S Wright who was licenced for all the stuff I had, exactly, and I got issued his licence, I would find that a remarkable coincidence.

40 O'Mahoney Is there no dispute between you and Mr Ferrier in respect of - - -

Wright Of course there's a dispute.

O'Mahoney Okay. What's the nature of that dispute?

Wright He didn't give me my bloody gold.

O'Mahoney Gold?

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Wright Yes.

O'Mahoney Was that in respect of these transactions?

Wright No.

Sommers No. It's got nothing to do with the Coin Exchange.

5 O'Mahoney All right.

Wright He owed me 20 million dollars of fricking gold and he fricking scarpered.

O'Mahoney Okay. All right. There's no dispute between you and him, I take it, as to whether or not you acquired software that was licenced.

Wright It works.

10 O'Mahoney It works, but that's a different answer to - - -

Wright I can log into Siemens and

O'Mahoney No, no. Is there a dispute between you and Mr Ferrier as to whether or not you acquired software that was licenced?

Wright No.

15 O'Mahoney Last week you said that there were some negotiations. Last week you said - I asked you whether the negotiations with Mr Ferrier in respect of said software were reduced to writing, you might recall, and I think an answer was given that there was Skyping involved, that there was some negotiation over Skype, and I learnt from you that you can actually write whilst Skyping. There is a

20 messaging service on Skype, and I have seen some documents that reflect the discussions you've referred to between yourself and Mr Ferrier. Unfortunately, I've also learnt in the last week that when you print out Skype messaging documents they go over pages and pages and makes it very, very difficult to - - -

25 Wright Yes. They don't

O'Mahoney - - - read. Could I just get you to look at the most legible of the documents I was able to print out. If you could just cast your eye over that.

Wright What am I looking at, sorry?

O'Mahoney Just the text, I guess.

30 Wright My spelling errors or - - -

O'Mahoney No. It's not a spelling test.

Wright Okay.

O'Mahoney It's just this one, have a quick look at it.

Wright I can do better when I - anyway.

35 O'Mahoney Does that accord with your memory? Are they examples of the negotiations and the discussions you were having?

Wright They look like some of my Skype things that I had - - -

O'Mahoney With Mr Ferrier.

Wright I had - I mean, can I say that you altered any of them? I don't believe that

40 would be the case. I - they look about right.

O'Mahoney Okay.

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Wright I haven't memorised my Skype communications with Mr Ferrier.

O'Mahoney No. The only thing that occurs to me just reading through the Skype documents that I've looked at is that when one thinks for the values of the transactions that occurred, is it really the case, Dr Wright, that they were the only written records, that these Skype exchanges are the only written records of the negotiations between you and him?

5

Sommers Negotiations or the agreement?

O'Mahoney The negotiations.

Wright Why would I need written records other than this for negotiations? You put things in a contract at the end.

10

O'Mahoney All right. And - - -

Wright I don't do that now. Even buying a house I don't do it in writing.

O'Mahoney There was nothing more formal than these exchanges on Skype that was reduce today writing?

15

Wright What's this is evidence.

O'Mahoney No. I'm just asking. And the actual agreement that was reached as well between you and Mr Ferrier, to what extent was that reduced to writing?

Wright It was a contract.

O'Mahoney But were there drafts of the contract?

20

Wright Most likely.

O'Mahoney Do you have - - -

Wright Did I keep all the drafts? No. I don't now. Why would I keep drafts of contracts? I don't keep Andrew's stuff in draft either.

O'Mahoney Looking - - -

25

Wright I keep the one that actually matters. I mean, what happens if I go to court with a draft contract? Will the judge look at it?

O'Mahoney All right.

Wright No. I'm - it's a question for you. Will a judge look at a draft contract?

O'Mahoney Unfortunately, Dr Wright, I get to ask the questions and you get to answer them today, but can I show you this summary. That's a summary that's a little neater to read of the Skype exchanges that we've got before you will. Just looking at that, one thing that strikes me is it's not clear at all, and it might be to you looking at those words. It's not clear to me that it was clear to either of you what was actually the subject of the negotiation, exactly what software was the purchase of which was being negotiated. Am I wrong about that?

30

35

Wright That's why there's voice call, voice call, voice call, voice call, voice call as well.

O'Mahoney Okay.

Wright We spoke to each other.

40

O'Mahoney Okay. And - - -

Sommers Perhaps you could explain to me what the point of this is. I mean, can we short-cut this by asking Dr Wright, "Did you get the software you wanted?" - - -

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O'Mahoney Well - - -

Sommers Because I'm not quite sure - - -

Wright Yes. I did.

Sommers - - - what the point of - - -

5 O'Mahoney I want to explore the extent to which the transaction occurred, and that is ultimately the question I'm coming to, and we're pretty well there. I mean, I just wanted to do the groundwork in terms of what consisted of the negotiations, to what extent were they reduced to writing? It sounds like there was certainly an ultimate contract, maybe some drafts, but you haven't kept

10 them, I think, was your answer, and then - - -

Wright How do I deal with you most of the time, Andrew? In even big things? Andrew is doing a big contract thingy, whatever, agency agreement for me now, and most of it is, "These are my details, do it."

O'Mahoney Okay.

15 Wright And Andrew might have a whole lot of documents, but - - -

O'Mahoney All right. Well, was there any issue - - -

Sommers

O'Mahoney Yeah, that's right. They are privileged literally. Tell me this: was there any issue with the software that you obtained from Mr Ferrier?

20 Wright It works. I don't have an issue with it now. It's still working. I demonstrated that to the ATO. I downloaded it in front of them. I went through a licencing process. I gave them licences. I don't - - -

O'Mahoney And you're satisfied that it is legally licensed software?

Wright I'm satisfied that it's working, that there's a licence and I can log into the site

25 and download.

O'Mahoney But two parts of - - -

Wright If I go to Microsoft - - -

O'Mahoney Two parts of that answer are about things that have nothing to do with licensing. It's a simple question. Are you satisfied that you've got a legal

30 licence to the software that you obtained from - - -

Sommers The way in which my client would answer the question is he has no reason to doubt the veracity of the licence that he has. He has logged into the site. It comes up with his name with the access codes that were given as part of the transaction.

35 O'Mahoney And how is that licence recorded? If I buy a Microsoft product I get a very silvery Microsoft - - -

Wright No. That's a home user. We have volume licensing at work. I have a website, I log in and it's recorded with my name and the licences on the website and it's the same.

40 O'Mahoney And pardon my ignorance, but is there a register, for example, of Siemens software that would show you as the licence - as - - -

Wright How can you ask my client to answer that question?

O'Mahoney Well, he might know.

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Wright I've never worked for Siemens.

O'Mahoney No. It didn't come as a suggestion that you did.

5 Wright I know I can go to their website, I can log in with a valid use your name and password that is Craig.Wright and my password and I can bring up something that says me and my address and my phone number and I can get a list of software and I can click any of it and I can download it, but I can put my details right in there and install it. That's why I care.

O'Mahoney But you know that - I mean, you know that from ordinary use of computers that the ability to log-in to something to something, I mean, I log into - - -

10 Wright No, no, no, no.

O'Mahoney - - - subscription services.

Wright I know from - - -

O'Mahoney It doesn't mean that I'm a legitimate subscriber.

Wright No. That's bullshit.

15 O'Mahoney In what way?

Wright I cannot ordinarily go to Microsoft and just log-in and download a copy of Office without paying for it. I'm well versed in security. Don't give me that crap.

O'Mahoney No, but - - -

20 Wright You cannot go to a random site - I can't go to the ATO and just pick a random tax person and get all their details. I get a log-in to a third party site.

O'Mahoney But what facilitates, Dr Wright, what facilitates the ability to download it? Is it putting a code in, is it putting a password in or what it?

Wright User name, password.

25 O'Mahoney All right. Well, let's just say everyone in this room are subscribers to a subscription service, say, an investor letter, but it is the case that people not in this room could plug in the user name and the password who are not legitimate subscribers. Do you accept that?

30 Wright So you're saying that a random person out there with a user name Craig.Wright who logs in and gets my address, my phone number, which your guys have verified, I sat there with multiple ATO people on multiple occasions and logged in to Siemens and came up with - and showed them my address, my site - - -

O'Mahoney Can I ask this: did you seek advice during this transaction to ensure that you were getting a licence, licenced software?

35 Wright I don't do that. I negotiated last year a group thing with Microsoft that was worth about a million dollars and I didn't go to Andrew and get advice on that one.

O'Mahoney Because I've done some research during the week and there does seem to be an issue globally of people acquiring unlicensed software.

40 Wright No, no. You're talking about going to a tour site and downloading something illegal that has been cracked. I'm talking about going to Siemens, the manufacturer - - -

O'Mahoney And you say that's what you've done?

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Wright Yes.

O'Mahoney Okay.

Wright In front of your - their people.

O'Mahoney Okay.

5 Sommers And provided screen dumps of the log-ins with it.

O'Mahoney Okay. Well, we know that it works.

Wright Andrew was actually. What did it say?

O'Mahoney I was just - I was wanting to probe you on - - -

Sommers Greg's not interested in my answer.

10 O'Mahoney We know that it works. I was just wanting to probe you on whether or not it is properly licensed and I don't think we can take that much further, frankly.

Wright As far as I'm concerned, it's properly licensed. I went to the Siemens site. If someone had some dealing with a third party - I mean, the only way I can see this not being properly licensed is if Siemens in Germany had someone who

15 had a relationship with Mr Ferrier and illegitimately licensed or gave me a licence to their site and a back door.

O'Mahoney I thought you said last week that you had some concerns now about Mr Ferrier's back story; is that right?

Wright Yes, but I don't know about the software. I got my software.

20 O'Mahoney Okay. Those concerns haven't made you concerned about whether or not it was actually a legal licence that you obtained?

Wright I can log in to a third party - - -

O'Mahoney There's no doubt it works.

Wright - - - site - - -

25 O'Mahoney You've made that clear, Dr Wright.

Wright - - - and it works.

O'Mahoney It works. We've established that.

Wright That's what I get. I mean, I am a buyer in good faith. It works.

O'Mahoney All right.

30 Wright That's all I care. I have a cryptographic key that works and gives me access. If some sort of nefarious deal was done between an employee of Siemens, for instance, and Mr Ferrier, that didn't involve Siemens, then that's not my problem, I don't really give a rat's.

O'Mahoney Do you know anything about such - - -

35 Wright No. I don't. I'm just giving a hypothetical.

O'Mahoney All right. Now, looking at another issue, which is the IP licence agreement between you as licensor and coin Exchange as licensee, I think it's dated 22 August 2013 - - -

Wright The first one or the second one? The first one was a messed up one and

40 then there was a resigned one where it was meant to go through the trust.

O'Mahoney I'm interested in the one dated 22 August 2013.

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Wright I can't remember which is which. They're both the same date as far as I know.

O'Mahoney Okay. Well, let's just talk about them in globo. Tell us about the circumstances that gave rise to that licence agreement.

5 Wright Software put into company.

O'Mahoney Which software?

Wright The banking software and some of - there's a list. I can't remember which bits I distributed to which things off the top of my head. There are hundreds of bits of software - - -

10 O'Mahoney Okay. But some banking software?

Wright - - - and I have given it - sorry?

O'Mahoney Some banking software?

Wright The list has been given. I am not memorising which business software I've given where. What I have is a series of documents saying where they are.

15 O'Mahoney And did the company pay you - what consideration flowed in respect of this licence agreement?

Wright That's where rights came into it.

O'Mahoney All right. And what was the value of the agreement?

Wright Over the period it was in the order of 30 something million dollars or whatever.

20 O'Mahoney For that consideration paid by way of - correct me if I'm wrong - rights to bitcoin?

Wright Yes.

O'Mahoney And by reference to the Seychelles trust that we've spoken about before; is that right?

25 Wright The loan via, yes.

O'Mahoney Yes. Can you tell us when you say "the loan via", what does that mean to you?

Wright Are we going to say this again and again and again?

Sommers I believe so. Let's just press on.

30 Wright I made a loan to a trust that I helped put stuff into in the first place.

Sommers You mean the wrong way around.

Wright I got - I mean, I had a loan given to me or what did the - however we want to say - the trust gave me right to access bitcoin. I have to repay it. How do the hell do I say that in loans?

35 Sommers I know.

O'Mahoney And in relation to this IP licence agreement or agreements, were there negotiations between the licensor and the licensee?

Wright Did I negotiate myself?

O'Mahoney I thought that was going to be your answer. I'm asking the question. Would there be any documents recording any negotiations in respect to that agreement?

40

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Wright I did it at value.

O'Mahoney And how did you obtain an understanding of value?

Wright Okay. For the stuff in what do you call it - WNK - then that was done by
5 getting an analysis of the software, as in this is how many lines, this is how it's
distributed, etcetera. That was then costed on standard accounting processes
where I said treat it as high risk because it's ATO and the accountant comes
back and goings, "That's too high, that's too high, that's too high, that's too
high", and I reduced it. The original calculation was actually higher and I
10 reduced the value until it was, "Yep, that's right, yep, that's right, yep, that's
right" from an FCA, and that was valued. The other was at cost. It cost me
this much, I transferred it for the same with over the years \$100,000 or so
handling fee maintenance or whatever else for the trust.

O'Mahoney Would there be any documents evidencing that valuation process?

Wright Yeah. You guys have - the ATOs of got it.

15 O'Mahoney Did you engage anyone to value it or retain anyone's services to assist in
putting a figure on the value of the software?

Wright Did I engage?

O'Mahoney Yeah. Engage in one?

Wright I got someone to do it.

20 O'Mahoney Who was that?

Wright Well, I started with going over the COCOMO method and I spoke with my
former boss and - former partner of EDO, Alan Granger, and discussed is this
right and then we put together documents to do with the valuations.

O'Mahoney Where does Mr Granger work?

25 Wright He's an accountant. He does his own stuff.

O'Mahoney Private practice?

Wright Yeah.

O'Mahoney And was he a former boss of yours?

Wright Yes.

30 O'Mahoney And did he have - just describe for us in broad terms the input he had into the
valuation process?

Wright He told me my initial figures were too high, too high, too high. Basically not
that there's not many lines of code, but be less aggressive, treat it this way,
that sort of stuff.

35 O'Mahoney All right. And why were you so interested in valuation?

Wright I wanted to transfer it into my companies. I wanted to get it right. It wasn't
about tax. The tax for GST works out neutral. I just wanted to make sure the
thing was right because I've got other shareholders who have smaller - I
40 mean, not as large as mine, but I wanted to make sure I wasn't ripping anyone
off. I've already got enough issues with small shareholders who are
complaining that they're not getting enough and all the rest.

O'Mahoney Okay.

Wright So it wasn't a tax thing; it was making sure that the value of what I was
putting into the companies was adequate so that I didn't rip-off the taxpayer -

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the shareholders, that I didn't value it too high so that they would come back to me and go, "Oh, you're trying to share and dilute our shareholding." That's what it was all about.

5 O'Mahoney You mentioned before the COCOMO method of valuation. Is that an accepted way of - - -

Wright Yes.

O'Mahoney - - - valuing software?

Wright Yes. I've - I pulled down things from the ATO training site. I have a friend whose IT manager in the ATO and I've also been to IT conferences by the ATO where that is listed. I've also got a number of internal documents from the ATO that I don't care what you do, I won't tell where I got them from, that say that it's valid.

10 O'Mahoney All right. Well, I will ignore that cryptic final part of that answer, but focusing on the earlier parts of it, you mentioned a friend. Is it the case that a friend assisted you in the application of this COCOMO method?

15 Wright A number of people have assisted me.

O'Mahoney But in respect of this transaction, this licence agreement, did you have the input of a few other people?

Wright I had other people help me work on it, yes.

20 O'Mahoney And who are they?

Wright Well, I don't actually call them a friend any more, Steve McLachlan. He got upset because he was going to be a shareholder and wasn't getting enough.

O'Mahoney Okay. And who else?

Wright And then Jamie Wilson was also involved in some of it and I had a falling out with him because he also wanted to run off and sell all my bloody rights to bitcoins and everything like that.

25 O'Mahoney Anyone else?

Wright Then there's other people involved in the companies now and it has been reworked and whatever else and checked, so Allan Peterson. I don't know, probably 10 other people.

30 O'Mahoney Okay. In respect of this specific transaction, this licence agreement, would there be any documents recording either you or the people that you've referred to applying this COCOMO method to come up with a valuation?

Wright I've got the COCOMO method. It's fairly simple, actually.

35 O'Mahoney No, no, no. I'm not so much worried about what the method is. Time, I'm sure, won't permit you to describe it, but I'm more interested in would there be - - -

Wright It's a website.

O'Mahoney Okay.

40 Wright You fill in the number of lines of code, which is not something that you get to lie about. It's how many lines are there. This many. You put in the figures and it spits out their analysis.

O'Mahoney This is really simply quantitative, it just comes down to.

Wright Yeah.

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O'Mahoney Does that strike you as a funny way to value?

Wright Software? No. It's the - - -

O'Mahoney Does it have regard at all to the content of the coding?

Wright The type of coding, yes.

5 O'Mahoney How does it do that?

Wright You have to put down what it is. Like, if it's coding, whatever else, but that's still a factual matter, is it this or is it, so - - -

O'Mahoney Okay. Well, I will come back to the question. Will there be any documents recording anyone applying this valuation method, yourself included, to this licence agreement?

10 Wright Yes.

O'Mahoney And what documents, what are those documents?

Wright There are spreadsheets and there are - there's all the stuff how it got - - -

O'Mahoney Showing calculations?

15 Wright Yeah.

O'Mahoney Showing - - -

Wright Showing how many lines of code, what kind of code it is. All that's documented.

O'Mahoney All right. And looking at the actual agreement itself, it provides for the licensor having a right to certain intellectual property as software and it makes reference to clear title or title in the relevant software passing upon judgment in the Supreme Court proceedings. Does that accord with your recollection?

20 Wright Yes.

O'Mahoney And one - - -

25 Wright The exact terms I don't remember.

O'Mahoney Okay, but one curious feature of this is the Supreme Court proceedings didn't have judgment occur, if you like, or handed down until 6 November 2013.

Wright But the judgment was also that it would be applied as of 30 September.

O'Mahoney All right, but can I ask you this question: how is it that an agreement dated 22 August 2013 can in making provision for certain rights, how can it make reference to a judgment that has not occurred at that time?

30 Wright We thought it would happen earlier and the judgment said to be applied as of 30 September, so - - -

O'Mahoney But the judgment doesn't exist as at the date of this licence agreement.

35 Wright Well, you tell the Supreme Court that they can't say 30 September.

O'Mahoney No. I understand that - - -

Wright The Supreme Court gave me a judgment that said I had to apply it by 30 September.

O'Mahoney But the relevant judgment was dated 6 November 2013.

40 Wright That judgment on that date said I had to apply it as of 30 September.

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O'Mahoney Okay. So I appreciate that that judgment may have made orders that affected the situation prior to the date of the judgment. My question is how did it come to be that the actual agreement makes provision for - - -

Wright I already had the software.

5 O'Mahoney - - - the transfer of rights by reference to a judgment that hasn't even - - -

Wright I already had the software, I already had a contract.

O'Mahoney - - - appeared?

Wright I already had the physical - like, the copy of the software on the disk. I already had all of that. As far as I was concerned, it was mine, the judgment was there to finalise and make sure that there was nothing wrong, and yes, it ended up being bloody messy and yes, I got a judgment on 6 November that says backdated to the 30th and, no, I'm not going to argue with the New South Wales Supreme Court and say, "No. Actually, it should be the next quarter and I will update my document."

10

15 O'Mahoney Did the agreement definitely exist before the judgment was handed down?

Wright Yes. It was given to the court.

O'Mahoney And there's no other explanation for how it is that reference was made to a judgment that wasn't in existence as at the date of the agreement? You've given - that's the total of the explanation?

20 Wright I was doing an agreement with myself and other parties in the organisation that I was setting up. We said we were going to do this. It was - I thought it would happen much quicker. I thought because everyone was interested when and all the rest from the other side and mine in getting this thing stamped and done, that it would happen quickly. I was wrong. The Supreme Court doesn't move as quick as I want, the Supreme Court doesn't issue things the way I want. I'm sorry, but I realised that one. Did I issue documents that then said the other? Yes. Did I have the software? Yes. Did I value them in a conservative manner? Yes. Could they be costed as more? Yes. Does it really matter from GST point of view? No, because if it was a hundred million dollars, it would be 10 million dollars each way and it would still work out at zero.

25

30 Sommers Sorry, Greg, could I just clarify? The reference in the IPD you've assigned to the statement of claim lodged in the Supreme Court, you're asking how it is that it refers to that - - -

35 O'Mahoney A provision is made - - -

Sommers - - - and it predates judgment.

O'Mahoney It does. Provision is made for the passing of title upon judgment in the Supreme Court proceedings and it's just in circumstances where the judgment is unknown, the date of that is unknown. I just want to understand if there was an issue - - -

40

Sommers But you are satisfied that the document was - the document is dated the date that is after the proceedings were commenced. The proceedings had been commenced

O'Mahoney There's no doubt about that.

45 Sommers

O'Mahoney Absolutely. Yeah.

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Sommers So you're note

O'Mahoney Certainly. I appreciate - - -

Wright And I'd given the document to the ATO - - -

O'Mahoney - - - the proceedings were on foot.

5 Wright - - - in September.

O'Mahoney No. I appreciate the proceedings were on foot. Just a few final questions, but
- - -

Wright I'd given the document to the ATO in September.

10 O'Mahoney Okay. A few final questions to round down. Did you ever register a domain
name with AlBaraka in it?

Wright I didn't, no.

O'Mahoney Did someone you know?

Wright Not that I know. Why?

15 O'Mahoney Do you have the actual wording? Okay. We have some information that a
domain name was registered, that is a variant of or precisely AlBaraka.Asia.
Does that ring any bells?

Wright No.

O'Mahoney All right, then. If that potentially had nothing to do with you - tell me this, Mr - -
-

20 Wright What's the I have known that one in AlBaraka.TR as well, but why - what -
- -

O'Mahoney AlBaraka.TR?

Wright Yes.

O'Mahoney Have you had any involvement in that domain name?

25 Wright I've been emailing to them.

O'Mahoney All right. Around who is AlBaraka.TR?

Wright AlBaraka in Turkey as far as I know. The website comes up as Turkey.

O'Mahoney And what do you know about AlBaraka in Turkey?

Wright They're a mid-sized Islamic bank based in Turkey. I mean - - -

30 O'Mahoney Have you had any involvement in corresponding with AlBaraka outside of
that?

Wright I know other people that have. I've others at work have been dealing with
them.

O'Mahoney Okay. And who else at work has been dealing with this AlBaraka Turkey?

35 Wright A number of former employees. Alan Peterson has been.

O'Mahoney And to what end?

Wright Making sure we got the software first of all, making sure that we were able to
install it.

40 O'Mahoney So is this the case, that AlBaraka has provided some sort of ongoing
assistance with using or installing the software?

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Wright Yes.

O'Mahoney And officers of the bank have done that?

Wright I'm assuming their officers of the bank.

O'Mahoney Why do you say that?

5 Wright Because everyone keeps coming up with the - who are these - I mean, it worked. I got my software. No, I didn't check any further.

O'Mahoney Do you have any reason to doubt that you've been - that these people at your end have been dealing with officers from AlBaraka?

Wright Not until you guys got involved.

10 O'Mahoney Well, can I say this, Dr Wright, that we've got some information that an entity with AlBaraka in it has a connection to a site, an office in Istanbul, an office - a commercial address in Istanbul and further inquiries have revealed that looking into that commercial address in Istanbul it is a Servcorp office. Now, you might not know what that means, but Servcorp is a company that - - -

15 Wright I know Servcorp. I've used them over here at one stage, but not

O'Mahoney To be clear on that for the transcript, Servcorp is a company that specialises in virtual offices.

Wright Mm.

O'Mahoney That post-modern concept, and tell us this: do you know anything about that?

20 Wright No. I don't.

O'Mahoney Because the reason I ask is we've also got credit card information of yours, credit card records, showing debt that you have paid, you have made payments to Servcorp Istanbul. What do you know about that?

Wright I don't know anything about that. I know I've gone through a few credit cards.

25 O'Mahoney You don't know anything at all about any payments that you've made to Servcorp Istanbul?

Wright I don't know half my accounts.

O'Mahoney All right, but would you have had any reason at any point in time to have made payments to Servcorp Istanbul?

30 Wright No.

O'Mahoney No?

Wright Never. What card was that made on?

O'Mahoney I don't know any more specific details at this stage, but I just wanted to ask you - - -

35 Wright Can you get me details

O'Mahoney I'm sure we can. No, no, we certainly can.

Wright I know if it was Penoptocript that card was canned on me because it was reported as stolen by the bank.

O'Mahoney All right. Time will time.

40 Wright I don't know what that meant.

O'Mahoney What is Penoptocript?

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Wright A company

O'Mahoney Say that again?

Wright A company of mine.

O'Mahoney And what does it do?

5 Wright Another research thing. I do research, I do everything else.

O'Mahoney And how did it come to be the guarantor of the Seychelles trust?

Wright It was involved back when it was first set up with certain rights in there. I don't know anything other than it's meant to be there for Dave and all the rest.

O'Mahoney And have you spoken personally to anyone from AlBaraka?

10 Wright I spoke to people who I believe worked for AlBaraka.

O'Mahoney And what made you believe that?

Wright I got my software.

O'Mahoney Just that? Do you know the names of those people?

Wright No. Off the top of my head I can't, but I - I've got some details, but I don't even want to try and pronounce them.

15 O'Mahoney All right. Would you have any sort of written records of communication with anyone from - - -

Wright Yes. I do.

O'Mahoney - - - AlBaraka?

20 Wright Yes.

O'Mahoney And what would those records be directed towards?

Wright Emails and things. What do you mean?

O'Mahoney Yeah, emails dealing with what?

Wright Dealing with getting the software and downloading it and things and payment and stuff like that.

25 O'Mahoney And was a licence transferred with the AlBaraka software?

Wright Not per se, no, because it's source code.

O'Mahoney So it's not licensed software?

Wright That's not correct in what you're saying. It is source code.

30 O'Mahoney And is it the case that inherently source code cannot attract a licence or be licensed. Is that - - -

Wright Well, we got the contract for it and, I mean, it's not like I put in a licensed string. I don't know how I explain this to you, but - - -

O'Mahoney Well, let me - - -

35 Wright - - - it's the source code.

O'Mahoney - - - ask the question this way: can you obtain licensed source code?

Wright I have a licence to use that source code. If you're talking about a licence string, that's not the same thing.

O'Mahoney Okay, but in the abstract, can you obtain licensed source code just generally?

40 Is it possible?

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Interview Conducted with Craig WRIGHT

Wright Yes.

O'Mahoney Okay. And in respect of this AlBaraka transaction, the source code that was acquired, was it licensed?

Wright I believe so, yes.

5 O'Mahoney What causes you to believe that?

Wright I've got a contract saying I get the stuff which is a licence.

O'Mahoney And is provision made in the contract, does it represent that it is licensed?

Wright Licence, licence string. You use the same word; they're not the same thing.

O'Mahoney What does "licence string" mean?

10 Wright Like, when you put in a compiled version of a software, an activation code.

O'Mahoney And is that a mechanism, what, for activating a licence?

Wright Activating a right to use. A "licence" is a legal term, as you well know.

O'Mahoney Okay. No, no - - -

Wright I have a right to use source code.

15 O'Mahoney All right. Well, we're almost finished. You make this distinction. Do you say that the contract reflects you acquiring a licensed string?

Wright No.

O'Mahoney No? Does it reflect you - - -

Wright It's not a license string; it's a right to use source code.

20 O'Mahoney All right, but do you say you've got a licence to the software now?

Wright Not a licence; I'm licensed. I have a right to use the source code.

O'Mahoney All right. And is there any issue about whether or not there is a licence? Are you involved in any dispute, for example, about whether or not - - -

Wright No.

25 O'Mahoney - - - you've obtained licensed software?

Wright No. No one has come back to me and said, "No. This isn't licenced." I have the software, the ATO have come out and had a look at it, I've demonstrated it, I've got it working and showed them, I compiled it and had it rung and it has been seen by people. I've pulled apart source code.

30 O'Mahoney And is AlBaraka - as you understand it, is AlBaraka something of a banking pioneering when it comes to crypto currency?

Wright They're an Islamic bank. The reason I wanted someone from an Islamic bank is they don't do interest.

O'Mahoney All right.

35 Wright Bitcoin is deflationary. It means it has to be treated differently.

O'Mahoney In that context have you ever approached the Abu Dhabi Commercial Bank, EFG, Homez, any other Arabic-type banks to obtain software from them?

Wright They don't actually have their own software.

O'Mahoney Is that right?

40 Wright As far as I know.

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O'Mahoney Okay.

Wright Most of those use or others indirectly, so - - -

O'Mahoney Okay, but we know - do you say that ultimately what was acquired - - -

5 Wright I've tried to speak to other people about some of these things and getting copies.

O'Mahoney Who else have you approached to acquire software from an Arabic bank or Islamic bank?

Wright I've spoken to people I know through LinkedIn and Facebook who work in these areas.

10 O'Mahoney Okay. And who are they? Who are those people?

Wright Jamal something. I would have to look through my list.

O'Mahoney Would your records have those names?

Wright Probably not. I mean, I'd have names in Facebook and things like that, but I don't remember exactly what my conversations were about them or anything like that. I didn't keep them because I didn't get it.

15 O'Mahoney But having decided that you were interested in acquiring software from an Islamic bank, what steps did you take to look at different Islamic banks that might be a source of software?

Wright I got told I could get something that suited everything I wanted, I looked into what their software was. It worked.

20 O'Mahoney Okay, but you did mention before there's some contacts on LinkedIn and so forth that - - -

Wright Yes. I looked at - - -

O'Mahoney - - - presented some other opportunities.

25 Wright Yeah.

O'Mahoney What - - -

Wright I'd even looked at non-Islamic banks.

O'Mahoney All right, but what were some other Islamic bank opportunities that you looked at?

30 Wright I have to tell you after I looked at my notes.

O'Mahoney And would your notes also reveal the people that presented them to you or that - - -

Wright No.

O'Mahoney Can you recall anyone - - -

35 Wright I didn't care about - - -

O'Mahoney - - - that you discussed your interest?

Wright Not off the top of my head, no. I didn't really care about the people. I still don't. What I care about is getting this - the code.

O'Mahoney Okay.

40 Wright I care about my code. I care about the other stuff. I want source code.

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O'Mahoney But I think, as I understand it, this code is particularly interesting to you because it comes from an Islamic bank and we spoke last week about that.

Wright Yes.

O'Mahoney The interest dynamics at play in - - -

5 Wright Yes.

O'Mahoney - - - the Islamic world that I'm aware of. Are there any records that reflect you seeking out such software from any other such bank?

Wright I negotiated with - well, not such software. I've negotiated with people like Temanos in the last year trying to get something that bloody works. There was Rubic and others. I mean - - -

10 O'Mahoney So the answer is "no", is it, that at the time of the AlBaraka acquisition you couldn't show any other documents reflecting that this - - -

Wright I've spoken to other people.

O'Mahoney But I'm just trying to dig into that a little bit. You can't name the people, I think I'm right in saying, you can't name anyone?

15 Wright I don't know. I would need to go through and look at my LinkedIn and Facebook profiles and see who I was talking to at the time, etcetera. I don't remember - - -

O'Mahoney You mentioned a Jamal. Do you know Jamal's last name?

20 Wright I would have to look at Facebook and tell you.

O'Mahoney Okay. And you might be able to do that?

Wright Yes.

O'Mahoney And would there be any written documents reflecting this search - - -

Wright No.

25 O'Mahoney - - - or the efforts to - - -

Wright There's only my notes on the different softwares. I mean, I've got searches on different core banking platforms and things like that, but I don't really care about the people I get it from. I'm sorry if that sound callous or whatever else. I don't. I give a shit about my code. I don't care about the people.

30 O'Mahoney All right. Just one moment. I will just very quickly - does anyone have any other questions they would like me to ask Dr Wright? No? You look like you might have - - -

..... Perhaps just an understanding Dr Wright, that he spoke with other providers such as Rubic and something starting with T - - -

35 Wright Temanos.

..... Temanos. Thank you.

O'Mahoney Yes. Could - just say a little bit about that.

..... Well, just to understand why there's a need to engage those parties if you already had the AlBaraka software whether there was a deficiency in that software and so on.

40 O'Mahoney Okay. Just in case that hasn't been picked up by the microphone, the questions along these lines, Dr Wright, that you've mentioned approaching Rubic and Temanos - - -

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Wright Mm.

O'Mahoney - - - in the context of talking about the AlBaraka software.

Wright Mm.

5 O'Mahoney What gave rise to those approaches? Was it, for example, that there was a deficiency in the software?

Wright There's a deficiency in every software in that it doesn't handle bitcoin properly.

O'Mahoney Okay. Let's focus on this one - - -

Wright What I - - -

O'Mahoney - - - this particular software.

10 Wright I am talking about this particular software.

O'Mahoney Okay.

Wright All of it doesn't do everything I want. What I need to do is understand the whole banking process, and strangely enough, no bank will let me sit down and reverse engineer their code with them.

15 Sommers What was the particular advantage you saw from Rubic and why was the Rubic software unsuitable?

Wright They were supposed to teach me how it worked.

Sommers And - - -

O'Mahoney And who was your point of contact there?

20 Wright Roger Manu.

O'Mahoney M-a-n-u?

Wright I would have to check that. I don't remember how I spelt his name.

O'Mahoney All right. Around what - - -

Wright We had a contract with them, they fucked up and didn't deliver.

25 O'Mahoney Okay. And what about the Temanos? Who was your contact there?

Wright I don't remember his name. I can get it to you.

O'Mahoney And would there be documents - - -

Wright I'm not a people person.

O'Mahoney Okay. Would there be documents evidencing your interaction with those two

30 entities in respect to the AlBaraka - - -

Wright Yes.

O'Mahoney - - - software?

Wright No.

O'Mahoney "Yes" or "no"?

35 Wright Yes, interactions with them; no to AlBaraka software. They didn't know - I mean, I didn't tell any of them about the other things. I didn't want to because it was competition with what they were doing. Temanos didn't want me - Rubic didn't want me to build my own; they wanted to control things and sandbox it. What I wanted to do was build my own, my own core banking

40 platform built on bitcoin. That's what I'm doing.

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O'Mahoney And is that - will that be, to your mind, the first such bitcoin bank, if you like?
Wright Yes.
O'Mahoney I just in doing some searches during the week have revealed that there do
seem to be some bitcoin ATMs already in existence. Are they - - -
5 Wright ATMs, not banks.
O'Mahoney So there's a difference?
Wright It's not a - yes, a very big difference. It's a depository, a full online banking
platform. Being able to go and get a print-out of a QR code at a machine is
not the same as having loans and having banking platforms that allow you to
10 transfer money, that allow you to invest. That all the stuff - if you look at what
NetBank does on Commonwealth Bank, all of that, that's what I want to build
into bitcoin.
O'Mahoney All right.
Sommers There are detailed contracts with Rubic and there was a dispute in relation to
15 Rubic where we were unable to act because of a conflict and so there are
separate proceedings and so - - -
O'Mahoney All right, yeah.
Sommers - - - Dr Wright through his other lawyers can provide you with that detail if you
need it.
20 O'Mahoney All right, then.
Wright And, yes, our contract there was fucked up too. We didn't involve everyone in
the beginning. It was a contract, it was drafted, we got screwed on it.
O'Mahoney All right. Well - - -
Wright Like many other ones I've done.
25 O'Mahoney - - - thank you, Dr Wright. That concludes the questioning and for the record
it's now 6.29 and that will be the end of the interview. Thank you.

TAB 885-9

From: Craig S Wright [Craig S Wright]
Sent: 9/22/2014 10:19:24 AM
To: Kathryn Unger <unge1kat@police.nsw.gov.au>
CC: Sommer, Andrew <asommer@claytonutz.com>; Ramona Watts
Subject: RE: Statement
Attachments: Statement - WRIGHT.docx; Draft witness proofing.docx; 1.pdf; 2.pdf; 3.pdf; 4.pdf; 5.pdf; 6.pdf; 7.pdf; 8.pdf; 9.pdf; 10.pdf; 11.pdf; 12.pdf; 13.pdf; 14.pdf; 15.pdf; 16.pdf; 17.pdf; 18.pdf; 19.pdf; 20.pdf; 21.pdf; 22.pdf; 23.pdf; 24.pdf; 25.pdf; 26.pdf; 27.pdf; 28.pdf; 29.pdf; 30.pdf; 31.pdf; 32.pdf; 33.pdf; 34.pdf; 35.pdf; 36.pdf; 37.pdf; 38.pdf; 39.pdf; 40.pdf

I have attached the draft for review with the attachments.

Thanks
Craig

From: Kathryn Unger [mailto:unge1kat@police.nsw.gov.au]
Sent: Tuesday, 16 September 2014 11:54 AM
To: Craig S Wright
Subject: Statement

Hi Craig,

Apologies for the late reply to your statement infirmation. It's been crazy here and I have been doing your statement little by little each week, but I haven't forgotten about you at all. I am putting through a report this week to get some assistance from the NSW Fraud Squad who are able to get more information in regards to Bitcoin and hopefully they will get the ball rolling a bit quicker than I can here.

I have attached a copy of your statement so you can have a look at. You will see the parts in red which I will get you to answer and send it back to me. No rush but it will help with the report I will send to the Fraud squad.

If you want to add anything just let me know.

Regards,

Kathryn Unger
Hornsby Detectives
Kuring-Gai LAC
PH: (02) 9476 9795

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NSW POLICE FORCE

P190A

Version 4.3 (01/2014)

Witness Details Cover Page

Witness Personal Details	
Title:	Mr
Family Name:	WRIGHT
Given Names:	Craig
Date of Birth:	23 Oct 1970
Place of Birth:	Brisbane, Australia
Country of Birth:	Australia
Gender:	Male
CNI Number:	
Witness Home Details	
Home Address:	43 St John Ave
Suburb/Town:	Gordon
City:	Sydney
State:	NSW
Postcode:	2072
Country:	Australia
Home Telephone:	
Mobile Telephone:	0417683914
E-mail Address:	Craig.wright@hotwirepe.com / craig@rcjbr.org
Witness Work Details	
Occupation:	Director/ Researcher
Company:	Panopticopt
Branch/Section:	
Work Address:	502 / Level 5, 32 Delhi Rd
Suburb/Town:	North Ryde
City:	Sydney
State:	NSW
Post Code:	2113
Work Country:	Australia
Work Telephone:	02 9188 2050
Statement Details	
Time Statement Taken:	
Date Statement Taken:	July 2014
In the matter of:	Police v FERRIS
Statement Taken By:	Kathryn UNGER
Place Statement Taken:	Hornsby Police Station

NOTE: FOR PROSECUTION USE ONLY

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DEF_01597543



NSW POLICE FORCE

P190A

Version 4.3 (01/2014)

STATEMENT OF A WITNESS

In the matter of: Police v FERRIS
Place: Hornsby Police Station
Date: July 2014

Name: Craig WRIGHT

STATES:

1. This statement made by me accurately sets out the evidence that I would be prepared, if necessary, to give in court as a witness. The statement is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I will be liable to prosecution if I have wilfully stated in it anything that I know to be false, or do not believe to be true.
2. I am 43 years of age.
3. I am the major (largest shareholder) of Hotwire Pre-Emptive Intelligence Pty Ltd (Panoptcrypt, DeMorgan). I have managed this company for 1.5 years through the trust company Panoptcrypt (which I have been CEO of since 2011). It is a software development and research company that is a part of a larger group of companies.
4. Prior to February 2013, I attended a conference in Melbourne on Mining and Security. I was a speaker on this and related topics in around 6-8 separate conferences within a six (6) month period between Sept 2012 and February 2013. I attended these conferences as I was invited to attend to give a presentation about security and automation of the mining industry. At one point, I discussed how mining contracts and mining equipment could be linked by a "block chain". A block chain is a "triple entry ledger" (See http://iang.org/papers/triple_entry.html). There were approximately 60 to 100 people at the conference. I was talking at up to 16 conferences a year as a result of my research and publications. I spoke for approximately an hour at each conference. After my presentation, the conference had a morning tea break. At some point during the break an individual approached me.

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Constable Kathryn UNGER
Hornsby Police Station
July 2014

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In the matter of Police v FERRIS

5. This person was male, Caucasian, had blue eyes and short "dirty" blonde hair. He had no facial hair, and a round face. He would be approximately six foot and one inches tall. I recall that he was wearing a suit and tie because he stood out from the crowd who were mostly dressed in casual attire. This man said words to the effect of;

"This is all good, but how can it help me?"

6. In response to his question I explained my interest in Bitcoin and automation. I evangelise Bitcoin and security in general and most conversations I had at this point involve one or both of these topics. I cannot recall the precise words that I said, but I remember that I spoke for about five minutes about how I think Bitcoin and automation is going to transform the world.

He said; *"I am Mark Ferrier"*

I said; *"I am Craig Wright"*

Mark said; *"Would you be interested in chatting some more?"*

I said; *"What would you like to chat about?"*

Mark said; *"About how this could help me. I am heavily involved in mining and finance of mining."*

I said; *"Great."*

7. I noted to the person who had called themselves Mark Ferrier that I was looking at obtaining automation software and was interested. I handed Mark my business card. I cannot recall if he gave me his business card.

Mark said; *"Do you mind if I contacted you by Skype"*

I said; *"No, in fact I would prefer it".*

8. I have always preferred communicating with friends and clients online. At this time I thought that Skype kept a record of all messages for about a year. It was only in or around October 2013 that I was informed that following Microsoft's purchase of Skype, records were only retained for approximately three months. I had thought I had lost the records at first, but I

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Hornsby Police Station
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managed to restore a backup from this time and have the Skype logs from between Feb 2013 and July 2013 on my laptop, but not those of my mobile phone.

9. At the end of February, I cannot recall the exact date, I was contacted a person using the Skype Profile "Mark Ferrier". I was contacted by him directly on 23rd Feb 2013. I cannot recall what was said. Mark Ferrier contacted me as he wanted to know if I was still interested in mining software we had discussed at a conference. I was seeking to obtain licenses for large scale automation software as this is integral to my continuing research.
10. Before the end of February, I had a Skype text conversation with "Mark Ferrier" in words to the effect of;
- Mark; *"Are you still looking at purchasing automation software?"*
- I said; *"I definitely am"*
12. Within 48 hours of the text message conversation, I was called by Mark on my Skype listed number (02) 80037553. I asked Mark for his email address so I could contact him. On 3 March 2013, I received an email on my account craig@rcjbr.org from markferrier@hotmail.com. The email read "This is mine". A copy of this email is marked 'ANNEXURE B'.
13. Between March and April 2013, I had a number of communications with Mark via Skype. This included voice calls, but was mostly by text. In the course of our conversations I discussed with Mark the concept of a "Bitcoin exchange" by which smart contracts would be connected. This is an idea that I had developed with my business partner David KLEINMAN (David) for a period of over a decade.
14. A Bitcoin exchange is a means of creating a market place for Bitcoin. Smart contracts can be explained as a form of artificial intelligence software constructed as a series of linked automata. These act to complete a contract or set of instructions such as payment terms.
15. I first met David in 1998/1999. We were both HTCC members. We had a common interest in digital/computer forensics and law enforcement and co-wrote a number of papers on crime prevention and digital forensics. David was based in Florida, United States of America.

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Statement of Craig WRIGHT
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16. The High Tech Crime Consortium is a 501(c) (3) non-profit organization founded in 1998. It is a professional organization that assists law enforcement and corporate investigators to obtain the knowledge and skills needed to combat 21st Century crime where the use or abuse of digital technology is an element of an offense. Members of HTCC comprise an international cadre of professionals experienced in detection and investigation of digital crime and forensic examination of digital evidence, practitioners of international, federal, and state criminal law, digital forensic software development or information management and security.

17. The idea conceived by David and me, was to develop a system that integrated Supervisory Control and Data Acquisition (SCADA) software and a Bitcoin exchange. I had a strong interest in SCADA systems, and had published a Book on the topic that was released in February 2013 (see <http://www.crcpress.com/product/isbn/9781466502260>).

18. SCADA systems include hardware and software components. The software gathers data in real time from remote locations, and feeds that data into a computer that has SCADA software installed. The computer then processes the data and presents it in a timely manner. That data may then be used to control equipment and conditions. I explained to Mark my interest in SCADA systems and how they operated. In response, Mark said words to the effect of:

"MJF Mining is a multi-million dollar contractor and supplier for the mining industry... what you are talking about is of interest to me, because automated services would be valuable within the mining industry"

19. I told Mark that he was correct - there was scope for the application of SCADA systems to the mining industry. I explained that SCADA is currently used in power plants, oil and gas refining, telecommunications, transportation, and waste and water control. I informed him that Siemens had a SCADA system, as did a number of other "mining people" such as BHP. I also told Mark that the threshold problem for David and I was obtaining access to SCADA software. We did not want to approach Siemens directly, because we intended to review the software to assist us in writing our own programs. We knew that Siemens would not permit this. In response, Mark said words to the effect:

"That is interesting. We should probably talk more".

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20. Following that discussion, Mark contacted me approximately one week later by Skype and said words to the effect of:

"If I could get hold of this SCADA software, what could you give me".

21. I was excited by the prospect of obtaining the software. I told Mark that the only way in which I would be able to finance the deal would be by paying in Bitcoin that Dave and I held. Mark told me he would get back to me where he contacted me before the end of March, saying he could obtain the Siemens SCADA software, and would accept payment in the form of Bitcoin.

22. In early April 2013, I discussed with David the proposed contract with Mark Ferrier. At around this time we decided that we would do business in Australia, and register our company "Coin Exch Pty Ltd". See:

<http://abr.business.gov.au/SearchByAbn.aspx?SearchText=31+163+338+467>

23. At this point in time, I understood that Mark was able to obtain the Siemens software for me. Having sourced the Siemens software, I asked Mark whether he would also be able to obtain banking software. The system proposed by David and I, and to be operated by Coin-Exch Pty Ltd, was to integrate a Bitcoin exchange with the SCADA software. The establishment of a bitcoin exchange would require banking software.

24. I received the software in July/August when the first payments had been completed. There is no dispute as to the receipt of the software. The software has been demonstrated and shown to the ATO and others including Commonwealth Government forensic experts.

25. At this point in time I did not have any serious concerns as to the integrity of Mark Ferrier. Mark had obtained Siemens Software for me, and from what I understood I would not pay for the software until I was provided with a copy of it. There seemed minimal risk in the transaction. I have received the Siemens Software. This is not in dispute.

26. I also gave weight to items of personal information Mark had disclosed to me in the course of our discussions. He had mentioned that his father was Ian Ferrier, a well-respected insolvency specialist, and that he had "trust fund" set up by his father. Mark told me that he was working in Subiaco, Perth at the time, but lived in Paddington in Brisbane. As I understood these were

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good suburbs of the respective States. Mark had also lead me to understand that his company, MJF Mining Services WA Pty Ltd, was a company that did multi-million dollar deals all the time, and I had no reason to doubt what he told me.

27. On 5 April 2013, I conducted an ASIC search in respect of MJF Mining. That search identified Mark Ferrier as the sole Director and Secretary of MJF Mining, and the only shareholder. The search did not disclose any information of concern. A copy of this ASIC search is marked 'ANNEXURE B'.
28. On 26 April 2013, David died. I was notified of this by an email from a colleague dated 30 April 2013. The death of David was a shock. It did not, however, distract me from the goal of setting up a Bitcoin exchange.
29. On 3 May 2013, I received an email in my account craig@rcjbr.org from Markferrier@hotmail.com. It stated:
- "Mate. That stuff you have been seeking. I have an answer. I know some guys who I have been dealing with in finance that can help with accessing that software you want".*
30. I understood his reference to "stuff" to mean the banking software I discussed with him in April 2013. A copy of this email is marked 'ANNEXURE C'.
31. In mid-May 2013, I had a telephone conversation with Mark. He told me that he had contacts within the Dallah Al-Baraka Group who could sell the banking software to me. He also raised the idea that in addition to the contract for purchase of the Siemens and Al-Baraka software I purchase some gold. He said words to the effect of:
- "I am negotiating a deal with mining people in Western Australia and I can get you some gold..."*
32. In making this suggestion Mark alluded to the volatility in value of bitcoin. He said words to the effect of:

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"Mate, you don't know that Bitcoin is going to work. It is volatile. You should diversify in gold.... If you bundle the transaction into one - the Siemens software, Al-Baraka software and the gold, my Dad, Ian Ferrier, will give you free valuation advice on your companies."

33. What I understood from Mark's proposal was that in return for him transferring me the Siemens Software, Al-Baraka software and the gold, I would transfer him a large number of Bitcoin. Mark would then act as an agent with the Bitcoin, and transfer it to the relevant parties as payment. I did not know how much he would get paid, but I knew he would get a cut.
34. On 13 May 2013, I conducted a search of the ASIC database in respect of MJF Mining. A copy of the ASIC extract is marked **Annexure 6**.
35. On 17 May 2013, I received an email in my account craig@rcjbr.org from markferrier@hotmail.com with subject line "Golden". It stated:

"My lawyer will get a contract to you soon and we can set a price in that funny money you think has value. Look, if it works, we are set. I do think you need to consider that other offer. These clowns are serious and I can get a great deal here. I will sell you the gold to enable you to get a start in the real world and you get me the bitcoin thing.

I am not one for this, but as long as the Arabs are willing to get money to me, I will get gold to you. We should talk more on Skype. I know that you will come around. Software has no substance, gold is something you can hold and nothing stops you doing both.

Ma."

36. I understood his reference to:

"funny money" to be Bitcoin;

"the Arabs" to be Al-Baraka;

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"the clowns" to be his mining interest in Western Australia. Mark had not disclosed the identity of this mining interest. He did, however, say words to the effect of:

"although the company has previously had some bad publicity, they have recently been taken over by new bosses so everything will be okay".

A copy of this email is marked 'ANNEXURE C.'

37. At this point in time I did not conduct any further due diligence in respect of Mark or MJF Mining. It had come to my attention, I do not know how, that Mark had previously had a company which had failed. As he had not been disqualified for his conduct, I did not consider this to be of concern.
38. Between 17 May 2013 and 23 May 2013, I cannot recall the exact date, I had a Skype conversation with Mark. This was the first time that we discussed the amount of Bitcoin I would transfer to him, in exchange for the Siemens software, Al-Baraka software and gold. In this conversation Payne's Finds Gold was identified as the "mining interest".
39. Following this conversation, I gave Mark access to a Bitcoin "wallet" so he could see the value of Bitcoin I had. A Bitcoin wallet is a set of cryptographic keys that access the ledger and hence the value of the recorded Bitcoin balance. There is a separate document attached that explains Bitcoin and the wallets. At the time of having this conversation, Bitcoin was valued at approximately \$120 - \$140 per Bitcoin [The values are determined on market and we have a value at the time from Xe.com]. I was excited at the prospect of obtaining the Siemens software and Al-Baraka software that I told him I was willing to give him about 50% of my Bitcoin wallet. In May 2013, my Bitcoin wallet would have been worth approximately \$100 million.
40. I understand that Mark took this offer to Al-Baraka who said that they could give me more platforms and modules of the software if I offered more money. I was excited by this prospect, and offered more Bitcoin. I did not turn my mind as to how the Bitcoin would be apportioned between Siemens and Al-Baraka. That was of no interest of me.

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41. On 22 - 23 May 2013, I received a series of emails in my account craig@rcjbr.org from markferrier@hotmail.com relating to the transaction. Mark was touting his skill and connections and that he could complete the deal. A copy of this email correspondence is marked 'ANNEXURE

42. On 1 June 2013, I received an email in my account craig@rcjbr.org from markferrier@hotmail.com. The email was to prompt me into completing the deal. It stated:

"If you can get it witnessed and back before Monday close we are in business

Popal wants to go public so some pressure on this end

Ma"

43. I understood this email to mean that Mark required the Contract for the purchase of the Siemens software, Al-Baraka software and Paynes Find Gold options (**Contract**) to be returned by 3 June 2013. A copy of this email is marked 'ANNEXURE .

44. At the time of receiving this email, I did not have a copy of the Contract. I contacted Mark Ferrier by Skype to request a copy. He subsequently "shared" the Contract by Skype. The Contract is titled "Contract for Sale of Personalty". I thought it was strange that the Contract was expressed in these terms. I raised this with Mark. In response, he said words to the effect of:

"It is just what the lawyers require".

A copy of the Contract provided to me is marked 'ANNEXURE

45. On 1 June 2013, I accessed website <http://www.goldnewsworldwide.com/lag/operations/> which stated the following:

"Paynes Find Gold (ASX - PNE) will soon provide an operations update and has placed its shares into an ASX trading halt while it prepares the announcement".

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46. On 2 June 2013, I received an email in my account craig@rcjbr.org from markferrier@hotmail.com subject line "Letter". Attached to this email was a confirmation letter stating that, amongst other things:

"We will issue the license agreement and finalize the contract payment upon satisfactory completion of company registration".

A copy of this correspondence is marked 'ANNEXURE .

47. On 11 June 2013, I conducted an ASIC search of MJF Mining. A copy of this extract is marked 'ANNEXURE . I conducted a search after the Contract had been executed as my lawyers and accountants have been told to maintain records. I did this each time as a double check as it was a large amount of money.

48. On 1 July 2013, I received an email in my account craig@rcjbr.org from mark@mjfminingservices.com. Attached to that email was Tax Invoice 0B0188 issued by "MJF Contracting" (First Invoice). The First Invoice specified that I was to pay \$AU 38,830,000.00 by 15 August 2013, and related to the supply of the Siemens Software, Al-Baraka Software, Gold and Bitcoin. A copy of this correspondence is marked 'ANNEXURE

49. On 9 August 2013, I conducted a Dun & Bradstreet search in respect of MJF Mining. I noted that Mark Ferrier was listed as the sole Director and Secretary. A copy of the Dun & Bradstreet report is marked 'ANNEXURE

50. On 15 August 2013, I received an email in my account craig@rcjbr.org from accounts@mjfminingservices.com subject line "Receipt". This email stated that:

"We will process a transfer tomorrow and as long as the first account settles in the timeframe as promised we will proceed".

A copy of this email is marked 'ANNEXURE

51. On 16 August 2013, I received an email in my account craig@rcjbr.org from accounts@mjfminingservices.com subject line "Receipt". This email stated that:

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"The client has confirmed the transaction and the confirmation process. We will arrange finalising this and completing the transactions".

A copy of this email is marked 'ANNEXURE

52. On 20 August 2013, I received a Skype text message from Mark Ferrier telling me to use email address mjf@mjfmminingservices.com. This was noted to be the primary email for the company rather than his personal email with Hotmail. A copy of this email is marked 'ANNEXURE

53. On 22 August 2013, I received an email in my account craig@rcjbr.org from markferrier@hotmail.com in which Mark requested the "key" [this a reference to the software key – it is used to unlock and access the code]. This was used to transfer the ownership of the Bitcoin and hence consideration. A copy of this email is marked 'ANNEXURE

54. On 24 August 2013, I received an email in my account craig@rcjbr.org from markferrier@hotmail.com relating to the transaction. Mr Ferrier stated that Gold had more value than Bitcoin and that they would start mining soon. A copy of this email is marked 'ANNEXURE

55. On 25 August 2013, I received "Tax Invoice Dallah" for the specified sum of \$20,311,471.84 relating to the supply of the Al-Baraka software (Second Invoice). The Second Invoice specified that payment was by 30 September 2013. A copy of this Invoice is marked 'ANNEXURE. The accounts and an excel spreadsheet titled 'Core Software' that shows 135,100.10 were transferred on 15 September 2013 as well as the transaction details are available as evidence.

56. On 30 August 2013, I paid MJF Mining the sum of 245,103.89 Bitcoins, which was the equivalent of \$AU 38,830,000.00, being the sum specified in the First Invoice . A copy of the confirmation of Transaction Payment is marked 'ANNEXURE

57. On 15 September 2013, I transferred 135,100.10 Bitcoins in consideration. A copy of an excel spreadsheet titled "Core Software Invoice" is marked **Annexure 23**.

58. On 1 October 2013, Paynes Find Gold Limited advised that it had formally terminated its Mining Services Agreement with MJF Mining. A copy of the Operations Update issued by Executive Director Carl Popal is marked 'ANNEXURE. I became aware of this on the third week of Oct – I

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Hornsby Police Station
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was informed by Mr Popal of PFG that they did not trust Mr Ferrier and saw "issues" with the agreement between PFG and MJF.

59. On 10 October 2013, I conducted an ABN search for MJF Mining's ABN "65 160 509 204". A copy of the ABN search result is marked 'ANNEXURE. I conducted this search as I was checking the address to contact Mr Ferrier who had been unresponsive as I was not able to get a hold of them and was trying everything I could.

60. On 12 October 2013, I received an email from Markferrier@hotmail.com attaching the username to access to Al-Baraka Software. A copy of this email is marked 'ANNEXURE

61. It has subsequently been brought to my attention that Mark Ferrier had been extradited to Queensland at this time. A copy of a news article confirming this is marked 'ANNEXURE

62. On 13 and 17 October 2013, I conducted ASIC Company searches for MJF Mining. These searches confirmed that Mark Ferrier was still listed as the sole director and secretary of MJF Mining, and the only shareholder. A copy of these Company Extracts are marked 'ANNEXURE

I conducted searches on these two dates as I was concerned. I was not aware at this point that Mark had been extradited from Perth in September. I was not able to get on to MJF at all. I received no further correspondence from Mark following 12 October 2013.

63. On 10 November 2013, I conducted a search of the ASIC database in respect of MJF Mining. A copy of this search is marked 'ANNEXURE

64. On 13 November 2013, I conducted a search of the ABN database in respect of ABN "65 160 509 204". The search results confirmed that MJF Mining remained "active". A copy of this search is marked 'ANNEXURE

65. On 19 November 2013, I commenced Supreme Court proceedings 2013/348577 against MJF Mining. These proceedings were commenced by of Statement of Claim, a copy of which is marked 'ANNEXURE

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66. On 19 November 2013 at 1:09pm, I caused a copy of the Statement of Claim in the Supreme Court proceedings to be sent by email to accounts@mifminingservices.com. A copy of this email is marked 'ANNEXURE

67. On 25 November 2013, I wrote to mark@mifminingservices.com saying:

"Is anyone there?"

I did not receive a response to this email.

68. On 18 December 2013 at 08:10 am, I received an email from accounts@mifminingservices.com in response to my email dated 19 November 2013. The email acknowledged receipt of the statement of claim but stated that Mark Ferrier was not available. I responded to this email at 11:21 am that day. A copy of this correspondence is marked 'ANNEXURE

69. On 18 December 2013 at 11:32 am, I wrote to mjf@mifminingservices.com and mark@mifminingservices.com. saying:

"Hello Mark, It has become imperative that you contact us urgently. If we are not contacted before the end of the month we will have to look at appointing receivers. Regards."

I have not received a response to this email. A copy of this email is marked 'ANNEXURE

70. On 19 December 2013, I commenced Federal Court proceedings NSD2577/2013 against MJF Mining. These proceedings were commenced by way of Originating Application and Statement of Claim, copies of which are marked 'ANNEXURE

71. On 19 December 2013 at 11.49 am, I caused a copy of the Statement of Claim and Originating Application in the Federal proceedings to be sent by email to accounts@mifminingservices.com.

72. At 4:40pm, I received an email from accounts@mifminingservices.com stating, amongst other things, that:

"We note that we cannot accept service and reject this as we do not desire to act on a matter whilst an authorised officer of the company is indisposed."

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Hornsby Police Station
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We will contact you when Mark is back. We will not accept further correspondence regarding this matter before this.

Accounts."

A copy of this correspondence is marked 'ANNEXURE

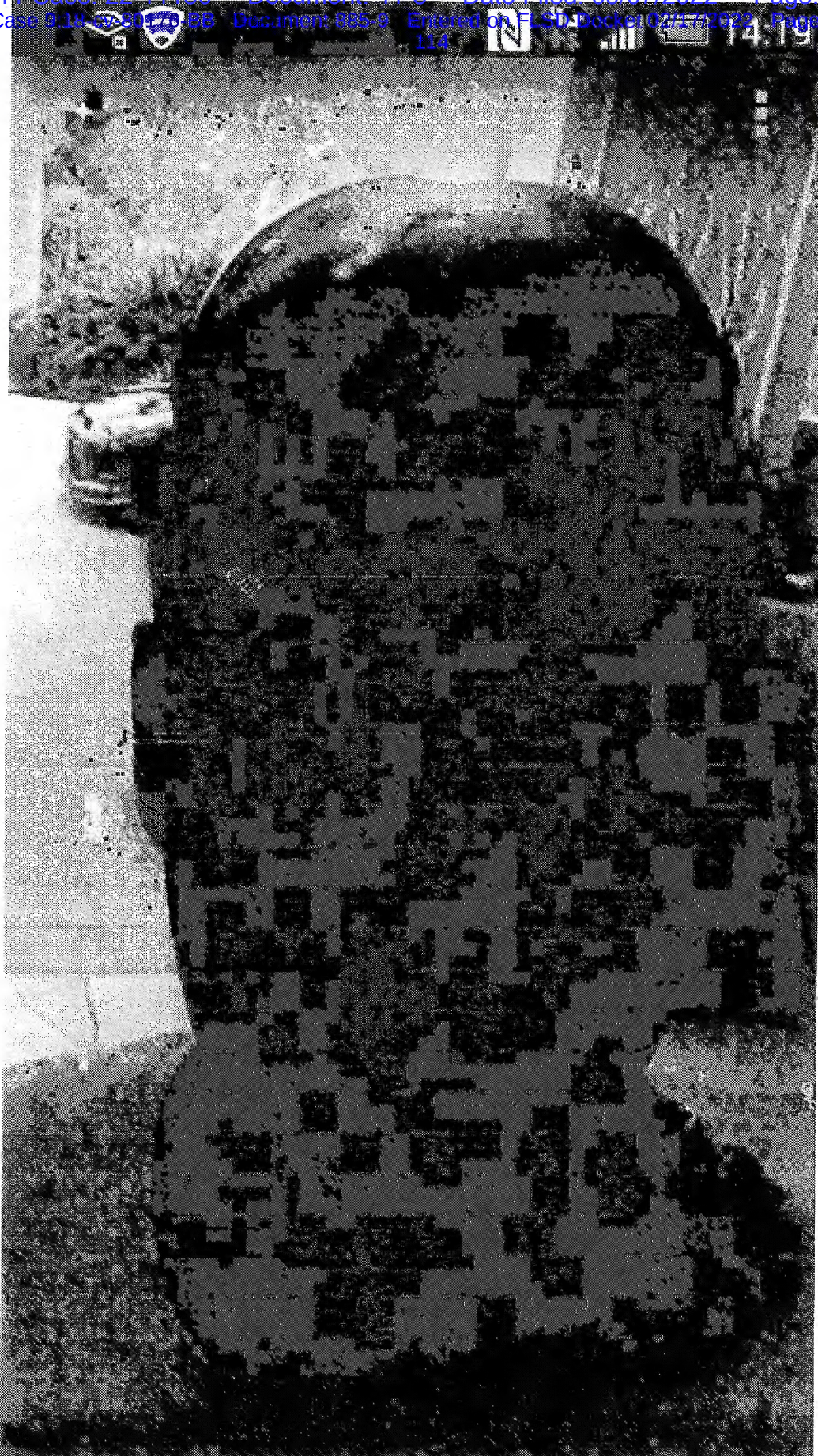
73. On 21 December 2013, I conducted an ASIC search in respect of MJF Mining. The search results disclosed that Mark Ferrier was no longer the Director or Secretary of MJF Mining. A copy of the ASIC Company Search Results are marked 'ANNEXURE

74. On 29 December 2013, I conducted an ASIC search respect of MJF Mining. The search results confirmed that Mark Ferrier was no longer the Director or Secretary of MJF Mining. A copy of the ASIC Company Search Results are marked 'ANNEXURE

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July 2014

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DEF_01597559

craig Wright

From: Mark Ferrier <markferrier@hotmail.com>
Sent: Monday, 4 March 2013 3:34 PM
To: craig@rcjbr.org
Subject: FW: The email address

This is mine

I was in Brisbane.



ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160 509 204

Date/Time: 05 April 2013 AEST 05:31:08 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD

ACN 160 509 204

Organisation Details	Document Number
Current Organisation Details	
Name: MJF MINING SERVICES WA PTY LTD	1E8752650
ACN: 160 509 204	
ABN: 65160509204	
Registered in: Queensland	
Registration date: 25/09/2012	
Next review date: 25/09/2013	
Name start date: 25/09/2012	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
Current	
Registered address: 'Central Plaza One' Level 30, 345 Queen Street, BRISBANE QLD 4000	1E8752650
Start date: 25/09/2012	
Principal Place Of Business address: 14 Plunkett Street, PADDINGTON QLD 4064	1E8752650
Start date: 25/09/2012	

Officeholders and Other Roles	Document Number
Director	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Secretary	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	

Share Information					
Share Structure					
Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650
Members					
Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty					

05 April 2013 AEST 05:31:08 PM

1

DEF_01597562

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD

ACN 160 509 204

members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER
Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

End of Extract of 2 Pages

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Sunday, 2 February 2014 9:04 PM
To: John Cheshier; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Subject: FW: Dave Kleiman

...
Dr. Craig Wright LLM GSE GSM GSC MMiT MNSA MInfoSec CISSP/ISSMP CISM CISA

RCJBR.org

Tel: + 612 8003 7553 | Mobile: + 61 417 683 914

<http://www.rcjbr.org>



From: Carter Conrad [mailto:carter@computerforensicsllc.com]

Sent: Tuesday, 30 April 2013 1:23 AM

To: Patrick Paige

Cc: Bill Long; Greg Kelley; Craig Ball; Matthew Shannon; Jerry Hatchett; Eric Robi; Greg Freemyer; Paul Henry; Craig S. Wright; Scott Moulton; Wayne Marney; Bob Bell; Bill Dean; Kimon Andreou; Greg Kelley

Subject: Dave Kleiman

As close friends of Dave, Patrick and I wanted to let you know in advance of any general posting that we have lost a dear friend and colleague...

As most of you are aware Dave was battling an infection from 2010, and had never fully recovered in the 2 ½+ years that followed.

Dave died in his home in Palm Beach Gardens of, what is being told to us, natural causes.

At this time no further details are available, although there are plans for a memorial, and these will be pasted on as they become available.

Carter V Conrad, Jr
Computer Forensics, LLC
1880 N. Congress Avenue, Suite 333
Boynton Beach, Florida 33426
Phone: (561) 404-3074
Cell: (561) 502-3935

www.ComputerForensicsLLC.com

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McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotwirepe.com>
Sent: Friday, 31 January 2014 10:14 AM
To: McCaughan, Alexandra
Cc: John Chesher; Slater, Jonathan; Mavrakis, Nicholas
Subject: RE:

1 Planned this weekend
2 Planned this weekend
3 I will bring this in.
4 Looking for it – as John
5 Next Email
6 Planned this weekend
7 See below, Planned this weekend
8 – 9 Planned this weekend
10 Next email
11 Planned this weekend
12 I can still access the site right now.
13 sent. <http://www.whois.com/whois/mjfmminingservices.com>
It is a private registration, but he did it as Mark James and it remains his.
He has not tried to retain it.

7 See

https://www.google.com/search?q=dave+kleiman&og=dave+kleiman&aqs=chrome..69i57j0l5.3828j0l4&sourceid=chrome&espv=210&es_sm=93&ie=UTF-8

• Dave Kleiman

- Dave Kleiman was a noted Forensic Computer Investigator, an author/coauthor of multiple books and a noted speaker at security related events. Wikipedia
- • **Born:** 1967, United States of America
- **Died:** April 26, 2013, Palm Beach Gardens, Florida, United States
- **People also search for:** Eoghan Casey, Peter Gutmann, Dan Farmer

From: McCaughan, Alexandra [mailto:amccaughan@claytonutz.com]
Sent: Thursday, 30 January 2014 3:39 PM
To: Craig S Wright
Cc: John Chesher; Slater, Jonathan; Mavrakis, Nicholas
Subject:

Dear Craig

Thank you for your time today.

As discussed, we would be grateful if you could provide us with copies of the following:

1. any communication between you and Mark Ferrier (**Ferrier**) between February 2013 and January 2014;
2. any document that will confirm your attendance at the mining conference in Melbourne in February 2013 (including the paper you presented, invitation to speak, invoices etc);
3. the business card you would have provided to Ferrier at the Melbourne conference;
4. the business card Ferrier may have provided to you (if you are able to locate one);
5. a short explanation (in plain language) of the type of software that you were interested in obtaining from Ferrier in respect of the automation of the mining industry;
6. a record of the ASIC or Dun and Bradstreet search conducted in respect of MJF Mining by you in March 2013 and May 2013;
7. confirmation of the date that your business partner, David Kleiman died, and any communications with David that might refer to what you had discussed with Ferrier;

8. email from you to Ferrier, attaching the signed contract;
9. email from Ferrier (you think from email accounts@mjfmining.com) attaching Invoices dated 1 July 2013 and 15 August 2013;
10. ASX search conducted by you in or around May/June/July 2013 for Paynes Find Gold;
11. Transaction Payment record in respect of the Invoice issued 15 August 2013 for \$20,311,571.84 AUD;
12. record of the Skype conversation between you and Ferrier on 12 October 2013 attaching your password to access the Al-Baraka Bank software (if you can still access it); and
13. any record of a "whois" search conducted by you in respect of Ferrier.

In addition, it would be helpful if you could "trace" each bitcoin that was transferred under the contract and identify where it has been "cashed in". As we explained this morning, this will demonstrate to the Court that you have performed your aspect of the contract.

Finally, if there is any other information which you locate that you may think is of relevance, please provide us with a copy.

Kind regards

Alexandra McCaughan, Lawyer
Clayton Utz

Level 15, 1 Bligh Street, Sydney NSW 2000 Australia | D +61 2 9353 4727 | F +61 2 8220 6700
amccaughan@claytonutz.com

www.claytonutz.com



Please consider the environment before printing this e-mail

This email is confidential. If received in error, please delete it from your system.

craig Wright

From: Mark Ferrier <Markferrier@hotmail.com>
Sent: Friday, 3 May 2013 10:41 AM
To: craig@rcjbr.org
Subject: FW: New

Mate

That stuff you have been seeking. I have an answer. I know some guys who I have been dealing with in finance that can help with accessing that software you want.

MJF

In Sydney
meetings with ~~the~~ College of Law.

In Class.

Need - ^{on} 02 June - RCTBR?
Email with letter.

(X3) - Aug ^M22-^W24? (22)
Email Re Exchange.

- 24th. (11)?
Final + supply.

1

CONFIDENTIAL

1563

DEF_01597567



ASIC

Australian Securities & Investments Commission

Australian Company

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

Extracted from ASIC's database at AEST 10:11:14 on 13/05/2013

Company Summary

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160 509 204

ABN: 65 160 509 204

Registration Date: 25/09/2012

Next Review Date: 25/09/2013

Status: Registered

Type: Australian Proprietary Company, Limited By Shares

Locality of Registered Office: Brisbane QLD 4000

Regulator: Australian Securities & Investments Commission

Further information relating to this organisation may be purchased from ASIC.

13/05/2013 AEST 10:11:14

1

craig Wright

From: Mark Ferrier <markferrier@hotmail.com>
Sent: Friday, 17 May 2013 9:22 AM
To: craig@rcjbr.org
Subject: Golden

My lawyer will get a contract to you soon and we can set a price in that funny money you think has value.

Look, if this works, we are all set. I do think you need to consider that other offer. These clowns are serious and I can get a great deal here. I will sell you the gold to enable you to get a start in the real world and you get me the bitcoin thing.

I am not one for this, but as long as the arabs are willing to get money to me, I will get gold to you. We should talk more on Skype. I know that you will come around. Software has no substance, gold is something you can hold and nothing stops you doing both

1a

Meeting Deloitte.
-Tomy.

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Thursday, 30 January 2014 11:06 AM
To: McCaughan, Alexandra
Subject: Fwd: Golden

----- Forwarded message -----

From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 18/05/2013 2:34 pm
Subject: Golden
To: <craig@rcjbr.org>
Cc:

My lawyer will get a contract to you soon and we can set a price in that funny money you think has value.

Look, if this works, we are all set. I do think you need to consider that other offer. These clowns are serious and I can get a great deal here. I will sell you the gold to enable you to get a start in the real world and you get me the bitcoin thing.

I am not one for this, but as long as the arabs are willing to get money to me, I will get gold to you. We should talk more on Skype. I know that you will come around. Software has no substance, gold is something you can hold and nothing stops you doing both

Mark

McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotmail.com>
Sent: Monday, 3 February 2014 6:34 PM
To: John Chesher; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Cc: Ramona Watts
Subject: FW: Beer and congrats

More to come.

From: Craig S Wright
Sent: Monday, 3 February 2014 6:12 PM
To: Craig S Wright
Subject: RE: Beer and congrats

From: "Mark -ferrier" [markferrier@hotmail.com]
Sent: Thursday, 23 May 2013 6:09 PM
To: 'Craig S Wright'
Subject: RE: Beer and congrats

No prob,lem mate. You think others may find you have shit overseas. Me mate Clive could help you there.
mark

From: Craig S Wright [mailto:craig@rcjbr.org]
Sent: Thursday, 23 May 2013 6:06 PM
To: 'Mark Ferrier'
Subject: RE: Beer and congrats

Let us take this to Skype. Text is good, but too much said in email already.

Craig

From: "Mark -ferrier" [markferrier@hotmail.com]
Sent: Thursday, 23 May 2013 6:02 PM
To: 'Craig S Wright'
Subject: RE: Beer and congrats

Mate
You have me all wrong

Just look at what I have. Why would you not want it to. Y9u told me you like boating. For all me issues I pull all sorts on my squadron

fuck up or not, she hasd pulling power with her Volvos. Get you on there with my mate clive and you can spout your crap about wine and funny money lol

what the fuck good is this shit of yours without a way to get tits and ass

mark

From: Craig S Wright [mailto:craig@rcibr.org]
Sent: Thursday, 23 May 2013 5:52 PM
To: 'Mark -ferrier'
Subject: RE: Beer and congrats

Well, you get paid. The guys you have arranged get paid. You have cash, they have what they want. I have my code.

If this works, we all win. I had Dave mine the Bitcoin overseas and all it has cost is sunk. I cannot miss what I never have. I have never touched the Bitcoin we created in the OS trust and companies and what I care about is making something more.

Craig

From: "Mark Ferrier" <markferrier@hotmail.com>
Sent: Thursday, 23 May 2013 5:41 PM
To: 'Craig S Wright'
Subject: RE: Beer and congrats

Your loss mate

If it was me, I would be finding a way to do what you want without letting othes in

mark

From: Craig S Wright [mailto:craig@rcibr.org]
Sent: Thursday, 23 May 2013 5:38 PM
To: 'Mark Ferrier'
Subject: RE: Beer and congrats

Well, nothing is really here.

I understand that you are not keeping any Bitcoin, just payment in cash – so it comes from overseas and stays overseas.

I just want to do things here

From: "Mark Ferrier" <markferrier@hotmail.com>
Sent: Thursday, 23 May 2013 5:10 PM
To: 'Craig S Wright'
Subject: RE: Beer and congrats

So why even do it here

mark

From: Craig S Wright [mailto:craig@rcibr.org]
Sent: Thursday, 23 May 2013 5:09 PM
To: 'Mark Ferrier'
Subject: RE: Beer and congrats

I have a trust overseas. I moved it and the mining process to Dave Kleiman when I had a few issues with the tax ppl.

I still do not trust them, but I do want to do things inoz.

From: "Mark Ferrier" <markferrier@hotmail.com>
Sent: Thursday, 23 May 2013 5:07 PM
To: 'Craig Wright'
Subject: RE: Beer and congrats

Craig
So tell me where you got this stuff.

mark ferrier

From: Craig Wright [<mailto:craig@rcibr.org>]
Sent: Thursday, 23 May 2013 5:04 PM
To: 'Mark Ferrier'
Subject: RE: Beer and congrats

I will start to send the addresses and get you the private keys. I hope you understand that with this value transaction I need to see the code before I release everything.

C

----- Forwarded message -----
From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 23/05/2013 2:34 pm
Subject: Beer and congrats
To: <craig@rcibr.org>
Cc:

You are good for it so it seems and these guys are waiting. I have a gret feeling about this. Once this is done and the Payne deal closes, we are going to have a long profitable friendship. You do what you do and I will sell it

Mark

craig Wright

From: Mark Ferrier <markferrier@hotmail.com>
Sent: Saturday, 1 June 2013 11:12 AM
To: craig@rcjbr.org
Subject: FW: The email address

If you can get it witnessed and back before Monday close we are in business

Popal wants to go public so some pressure on this end

Ma

NSW Bar Prep
Exam. UTS.

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Thursday, 30 January 2014 11:10 AM
To: McCaughan, Alexandra
Subject: Fwd: FW: The email address

----- Forwarded message -----

From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 02/06/2013 2:34 pm
Subject: FW: The email address
To: <craig@rcjbr.org>
Cc:

If you can get it witnessed and back before Monday close we are in business

Popal wants to go public so some pressure on this end

Mark

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Thursday, 30 January 2014 11:10 AM
To: McCaughan, Alexandra
Subject: Fwd: FW: The email address

----- Forwarded message -----

From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 02/06/2013 2:34 pm
Subject: FW: The email address
To: <craig@rcjbr.org>
Cc:

If you can get it witnessed and back before Monday close we are in business

Popal wants to go public so some pressure on this end

Mark



you should have the
contract in email.

01-06-2013, 23:54

you meeting me

18-06-2013, 12:41

Please call

13-07-2013, 20:33

use
[mjf@mjfminingservice](mailto:mjf@mjfminingservice.com)
[s.com](mailto:mjf@mjfminingservice.com)

20-08-2013, 00:33

Skype me when you
get it

23-08-2013, 18:24

Add text



CONTRACT FOR THE SALE OF PERSONALTY

PARTIES

MJF MINING SERVICES WA PTY LTD
ABN 65 160 509 204
(Vendor)

AND

Craig S Wright
Craig Wright R&D
ABN 97 481 146 384
(Purchaser)

Ref: OB0188

THIS AGREEMENT dated 03 day of June 2013

BETWEEN

Mark Ferrier of MJF Mining Services WA Pty Limited

(Vendor)

And

Craig S Wright of Craig S Wright R&D

(Purchaser)

RECITALS

- A. The vendor is the owner of the chattels itemized in the schedule hereto and has agreed to sell them to the purchaser who has agreed to buy them on the terms and conditions below.
- B. The Purchaser is to form a company and provide details for invoicing and tax purposes in the first month of the 2013-2014 financial year.

OPERATIVE PART

1. Interpretation

This agreement is governed by the laws of the state of WA, and the parties, submit to the non-exclusive jurisdiction of the courts of that state.

In the interpretation of this agreement:

- (a) References to legislation or provisions of legislation include changes or re-enactments of the legislation and statutory instruments and regulations issued under the legislation;
- (b) Words denoting the singular include the plural and vice versa; words denoting individuals or persons include bodies corporate and vice versa; references to documents or agreements also mean those documents or agreement as changed, novated or replaced, and words denoting one gender include all genders;
- (c) Grammatical forms of defined words or phrases have corresponding meanings;
- (d) Parties must perform their obligations on the dates and times fixed by reference to the capital city of the state of WA;
- (e) Reference to an amount of money is a reference to the amount in the lawful currency of the Commonwealth of Australia;

Page 1 of 5

- (f) If the day on or by which anything is to be done is a Saturday, a Sunday or a public holiday in the place in which it is to be done, then it must be done on the next business day;
 - (g) References to a party are intended to bind their executors, administrators and permitted transferees; and
 - (h) Obligations under this agreement affecting more than one party bind them jointly and each of them severally.
-
- 2. The vendor sells and purchaser buys the personalty at the price described in the schedule.
 - 3. The purchaser has inspected the chattels and is satisfied as to their state of repair and operational condition and will make no objection in relation thereto.
 - 4. Completion of the sale and purchase shall take place on or before the day specified in the schedule.
 - 5. On completion the vendor will deliver to the purchaser the subject chattels in the state of repair that they were in at the time of inspection of them by the purchaser in exchange for a bank cheque in favour of the vendor or as they may direct for the balance of the price.
 - 6. Completion will take place at the location specified in the schedule.
 - 7. Failure of either party to complete the transaction on or before the due date shall be a default entitling the other party to terminate this contract.
 - 8. The purchaser shall on the signing hereof pay to the vendor a deposit being 10% of the price which sum shall only be refunded in the event of default by the vendor in performing this contract.
 - 9. The vendor warrants that the items listed in the schedule are the sole and absolute property of the vendor free of all encumbrances whether by way of pledge, charge, hire purchase, security agreement, or other encumbrance.

10. The goods are agreed to be paid in a form of the exchange of "Bitcoin" wallets at an agreed involved rate set at an Australian Dollar exchange value at the time of invoicing.

11. Notices

A communication required by this agreement, by a party to another, must be in writing and may be given to them by being:

- (a) Delivered personally; or
- (b) Posted to their address specified in this agreement, or as later notified by them, in which case it will be treated as having been received on the second business day after posting; or
- (c) Sent using Skype; or
- (d) Sent by email to their email address, when it will be treated as received on that day.

12. Counterparts

This agreement may be executed in any number of counterparts each of which will be an original but such counterparts together will constitute one and the same instrument and the date of the agreement will be the date on which it is executed by the last party.

13. Costs

Each party will pay their own costs in relation to this agreement.

SCHEDULE

List of Chattels:	<div>Siemens control software<ul style="list-style-type: none">• Mining automation software• No warranty as to use• For development in systems automationSupply of Microfinance Software<ul style="list-style-type: none">• Developed by Dallah Al-Baraka• Full use and source code provided• No restrictions on deployment or developmentGold options<ul style="list-style-type: none">• Supply of unrefined gold in granular format• 1,250 ounces in total</div>
-------------------	---

	• Jan 2015 for delivery from Payne Finds Gold Mine
Price:	\$35,250,000 (Ex GST)
Date of completion:	March 2016
Place of completion:	On delivery of Gold in granular form from Payne Mines

SIGNED AS AN AGREEMENT

Vendor

Signature Mark J Ferrier

Name of witness

Address of witness Perth WA

Capacity of witness Solicitor

[Signature]

Purchaser

Signature Gordon Wasy

Name of witness

Address of witness

Capacity of witness

MARY GILLIES

Reg No 115952

Justice of the Peace in and for the
State of New South Wales

Ku-ring-gai Council



818 Pacific Highway, Gordon.

Locked Bag 1056, Pymble, NSW 2073

APN: 51 628 294 017

[Signature]


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operations

Paynes Find Gold to provide operations update


May 31, 2013 Vets Gold News 0

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Paynes Find Gold (ASX: PNE) will soon provide an operations update and has placed its shares into an ASX trading halt while it prepares the announcement.

announcement, operations, Paynes Find Goldfield, trading halt



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John Chesher

From: John Chesher <john.chesher@hotmail.com>
Sent: 05 January 2014 15:43
To: jchesher@bigpond.net.au
Subject: Fwd: Letter
Attachments: MJFF.pdf; ATT00001.htm

Sent from my iPhone

Begin forwarded message:

From: "Craig S Wright" <craig@rcjbr.org>
To: "John Chesher" <john.chesher@hotmail.com>
Subject: FW: Letter

Last email - these are all I have that matches what we need

-----Original Message-----

From: Mark Ferrier [mailto:markferrier@hotmail.com]
Sent: Sunday, 2 June 2013 2:34 PM
To: craig@rcjbr.org
Subject: Letter

The agreement is accepted and will be finalised once the company details are supplied. The confirmation letter is attached.

Mark

Mark Ferrier
MJF Mining Services
14 Plunkett Street,
PADDINGTON QLD 4064
June 1, 2013

Craig Wright
Craig Wright R&D
PO Box 558
Gordon NSW 2072

Dear Craig,

We are pleased to inform you that we accept the deal for the Bitcoin exchange for the consolidation software and automation system. Our client wishes to proceed with the deal. The conditions imposed by on this are:

- This deal is to remain private and confidential
- No publication of the Al Baraka or Dallah name nor involvement will be allowed for any purpose
- The value of the contract is set for the agreed amount of Bitcoin no matter what occurs in the market

According to the terms of the agreement we expect you to finalize the formation of the holding company immediately upon receipt of this letter, and to complete work no later than 03 June 2013. We will issue the license agreement and finalize the contract payment upon satisfactory completion of company registration.

We look forward to working with you.

Sincerely,

Mark Ferrier

Mark Ferrier
mjf@mjfmminingservices.com



ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160 509 204

Date/Time: 11 June 2013 AEST 12:09:01 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

Organisation Details	Document Number
Current Organisation Details	
Name: MJF MINING SERVICES WA PTY LTD	1E8752650
ACN: 160 509 204	
ABN: 65160509204	
Registered in: Queensland	
Registration date: 25/09/2012	
Next review date: 25/09/2013	
Name start date: 25/09/2012	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
Current	
Registered address: 'Central Plaza One' Level 30, 345 Queen Street, BRISBANE QLD 4000	1E8752650
Start date: 25/09/2012	
Principal Place Of Business address: 14 Plunkett Street, PADDINGTON QLD 4064	1E8752650
Start date: 25/09/2012	

Officeholders and Other Roles	Document Number
Director	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Secretary	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	

Share Information					
Share Structure					
Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650

Members					
Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty					

11 June 2013 AEST 12:09:01 PM

1

DEF_01597589

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER
Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

End of Extract of 2 Pages

McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotwirepe.com>
Sent: Monday, 3 February 2014 2:12 PM
To: John Chesher; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Cc: Ramona Watts
Subject: FW: Invoice
Attachments: MJF0.jpg

I have more, it just takes time to find.

From: mark@mjffminingservices.com
Sent: Monday, 1 July 2013 2:10 PM
To: 'Craig Wright'
Subject: Invoice

The invoice is attached.

Please remember the conditions and requirements to maintain privacy.

When this is verified, we can move on the next stage.

Accounts

TAX Invoice OB0188

MJF Contracting

Level 28, 140 St Georges Terrace
Perth,
WA 6000



Date July 1, 2013	To Craig Wright R&D PO Box 558 Gordon NSW 2072	Ship To Same as recipient
----------------------	---	------------------------------

Instructions

You are to supply your company information when the contract is ready for provision.
As per agreement and discussion. Payment set in Bitcoin valued as agreed market average.

Quantity	Description	Unit Price	Total
20	Valuations Services by Ferrier Completed at a daily rate Prepayment for March 2014	2,500	50,000.00
1	Supply of Automation Software - See agreement Update and installation of Siemens control software for systems control for up to 2,048 cores	5,000,000	5,000,000.00
1	Agreement to supply Microfinance software and Accounting packages Integration and support Developed in conjunction with Dallah Al-Baraka Group (SA)	11,500,000	11,500,000.00
15,000	Exchange of BTC for Gold options. Price per ounce Set for 2015 as a pre-payment Delivered after mining commences From Payne mine	1,250	18,750,000.00
Subtotal			35,300,000.00
GST			3,530,000.00
Shipping & Handling			0
Total Due By 8.15.2013			SAU 38,830,000.00

Thank you for your business!

Tel: 08 9278 1438
ABN: 65 160 509 204

Email: markferrier@hotmail.com
Web: <http://www.mjfminingservices.com/>

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Tuesday, 4 February 2014 9:13 AM
To: Mavrakis, Nicholas; McCaughan, Alexandra; Slater, Jonathan
Cc: ramona.watts@hotwirepe.com
Subject: FW: MJF MINING SERVICES WA PTY LTD
Attachments: Report.html; DB Report.pdf

Please note the date:
09 Aug 2013

This is the earliest one.

...
Dr. Craig Wright LLM GSE GSM GSC MMIT MNSA MInfoSec CISSP/ISSMP CISM CISA
RCJBR.org
Tel: + 612 8003 7553 | Mobile: + 61 417 683 914
<http://www.rcjbr.org>

-----Original Message-----

From: Current - Dun & Bradstreet Report Delivery
[mailto:Rpt-Del@dnb.com.au]
Sent: Friday, 09 August 2013 7:15 PM
To: craigswright@acm.org
Subject: MJF MINING SERVICES WA PTY LTD

Thank you for your credit report enquiry with Dun & Bradstreet, the world's leading source of commercial information and insight on businesses.

Please find attached the report for
MJF MINING SERVICES WA PTY LTD

Details of your request:

Report Subject: MJF MINING SERVICES WA PTY LTD

DUNS: 747233091

This report was requested by Mr. Craig Wright on Aug 09 2013 7:14PM

Businesses rely on D&B in order to decide with confidence. The D&B report suite provides a range of reports for low, medium and high risk decisions. For the complete picture of your customers and prospects D&B offers the D&B Report, the most comprehensive report available today.

Visit us at www.dnb.com.au for more information on D&B's products and services.

This is post-only mailing. Replies to this message are not monitored or answered. If you have an enquiry please contact customerservice@dnb.com.au



Decide with Confidence

Financial Risk Report

MJF MINING SERVICES WA PTY LTD

Status: Registered
DUNS: 74-723-3091
ACN: 160509204
ABN: 65160509204
ABN Issue Date: 25 Sep 2012
ASIC Extract Date: 09 Aug 2013 15:14:00
Founded: 2012
Industry SIC Codes: 0000 - Undetermined
Rating: --

[Print this report](#)

Summary Company Information

Court Actions:	0	Past Enquiries:	2
Collections:	0	Director(s):	1
Defaults:	0	Adverse Director Experiences:	0
Registered Charges:	0	Director Alerts:	0
Trade References:	0		

Incorporation

State: QLD	Date Incorporated: 25 Sep 2012
Type: Australian Proprietary Company	Status: Registered
Class: Limited By Shares	
Sub Class: Proprietary Company	
Name Start: 25 Sep 2012	
ASIC Review Date: 25 Sep 2013	

Head Office

14 PLUNKETT STREET
PADDINGTON
QLD 4064

Registered Office

Address: 'CENTRAL PLAZA ONE' LEVEL 30
345 QUEEN STREET
BRISBANE
QLD 4000
Start Date: 25 Sep 2012

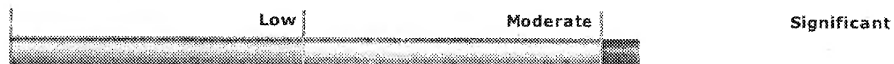
Principal Place Of Business

Address: 14 PLUNKETT STREET
PADDINGTON
QLD 4064
Start Date: 25 Sep 2012

Credit & Risk Analysis

Dynamic Risk Score

The Dynamic Risk Score uses a statistically valid model derived from the Dun and Bradstreet database to predict the likelihood of financial distress during the next 12 months.



file:///C:/Users/Craig/Desktop/Report.html

1/4

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DEF_01597594

1590

Relative Risk: **High**

Recommend: **Review Terms and monitor**

Dynamic Risk Score	1377
Probability of Experiencing Financial Distress	1.37%
Industry Average	1476
Probability of Experiencing Financial Distress	0.25%

A Score of 1377 indicates that the subject has a High risk of experiencing financial distress during the next 12 months and has a score that is the same as or better than 8% of all records in the Dun & Bradstreet database.

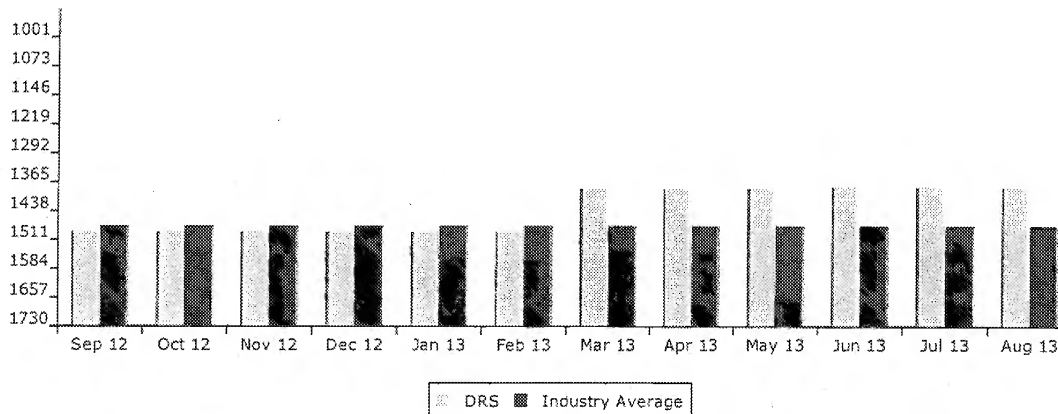
Scores are updated the day new information enters the company's file.

Key Influencing Factors

- No evidence of adverse information for this firm exists in the D&B database.
- Financial Statement information is unavailable in the D&B database.
- Payment information (of \$100 or more) is unavailable in the D&B database within the past 12 months.
- No evidence of adverse information against the director(s) of this firm exists in the D&B database.
- Directorship characteristics indicate a potentially higher risk of financial distress.
- The age of this firm indicates a potentially higher risk of financial distress.

Dynamic Risk Score Trend

The statistical historical DRS and industry average scores have been computed from information available in the Dun and Bradstreet database as at the last day of each month.



file:///C:/Users/Craig/Desktop/Report.html

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DEF_01597595

2/4/2014

114 Report

Score Range	Distress Probability	Key to Scores	
		Relative Risk Level	Dun and Bradstreet Recommendation
1566-1730	0.04	Minimal	Extend Terms to encourage growth
1532-1565	0.08	Very Low	Extend Terms to encourage growth
1497-1531	0.12	Low	Extend Terms
1428-1496	0.31	Average	Extend Terms
1389-1427	0.81	Moderate	Extend Terms and monitor
1359-1388	1.41	High	Review Terms and monitor
1312-1358	2.44	Very High	Review Terms and monitor closely
1001-1311	11.94	Severe	C.O.D

Directors

Name: MARK, FERRIER
Appointment Date: 25 Sep 2012
Date of Birth: 19 Dec 1975 - SYDNEY, NSW
Address: 14 PLUNKETT STREET
PADDINGTON
QLD 4064

Directors Background

A check of internal records shows no court actions against the directors.

Company Secretary

Name: MARK, FERRIER
Appointment Date: 25 Sep 2012
Date of Birth: 19 Dec 1975
Address: 14 PLUNKETT STREET
PADDINGTON
QLD 4064

History

Shares

Structure

Class: ORD (ORDINARY SHARES)
Number of Shares Issued : 120
Total Paid on Shares Issued : \$120.00

Holdings

Major Shareholders:

ORDINARY SHARES

Name of Shareholder	Location	No. Held	% Held
MARK FERRIER	14 PLUNKETT STREET PADDINGTON QLD 4064	120	100.00

Beneficially Held: No
Paid: Yes

Note: For each class of shares issued by a proprietary company, ASIC records the details of the twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Past Enquiries

Enquiry Date	Enquiring Organisation	Enquiry Type	Amount
21 Jun 2013	LINCOM PACIFIC EQUIPMENT PTY LTD		Nil

file:///C:/Users/Craig/Desktop/Report.html 3/4

2/4/2014

114
Report

21 Jun 2013

LINCOM PACIFIC EQUIPMENT PTY L

27 May 2013

LINCOM PACIFIC EQUIPMENT PTY L

Not
Specified
Not
Specified

CURRENCY: All monetary amounts quoted in this report are shown in AUSTRALIAN DOLLARS unless otherwise stated.

Collection Status Description

Paid in full	Account paid in full - Closed
Partial Paid	Debt is partially paid
Legal Action	Account is in legal action
Dispute	Debtor is in dispute with creditor
Closed	Collection service ceased
In progress	Collection is in progress

End of Report

McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotwirepe.com>
Sent: Monday, 3 February 2014 1:40 PM
To: John Chesher; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Cc: Ramona Watts
Subject: RE: SOC

From: accounts@mjfmminingservices.com [<mailto:accounts@mjfmminingservices.com>]
Sent: Thursday, 15 August 2013 10:36 PM
To: Craig S Wright
Subject: Reciept

Hello,
We have accepted and verified the private keys sent to us below.

[REDACTED] zCea
[REDACTED] k5nq
[REDACTED] XwXy
[REDACTED] WJYm
[REDACTED] a1K
[REDACTED] Bqkv
[REDACTED] xiEY
[REDACTED] 9fE9
[REDACTED] nLkN

We will process a transfer tomorrow and as long as the first account settles in the timeframe as promised we will proceed.

We remind you that this process is to maintain the utmost secrecy.

Regards,
Accounts

Core Software Invoice

Address

[REDACTED] 2me

[REDACTED] Uccr
[REDACTED] 4x4
[REDACTED] UjBD
[REDACTED] UERD
[REDACTED] RVZ1
[REDACTED] AyWC
[REDACTED] 4Vp1
[REDACTED] GJq

[REDACTED] Jdg6
[REDACTED] ofTz

[REDACTED] BTC

BTC Amount Address

[REDACTED] Issue of off Block Key Transfer.

[REDACTED]
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.
Issue of off Block Key Transfer.

Initial Seed Transaction to validate BTC
Final Transfer to complete.

Date
Sunday, 15 September 2013


<https://blockchain.info/tx>
<https://blockchain.info/tx>

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McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotwirepe.com>
Sent: Monday, 3 February 2014 1:54 PM
To: John Cheshier; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Cc: Ramona Watts
Subject: FW: Reciept

From: accounts@mifminingservices.com [<mailto:accounts@mifminingservices.com>]
Sent: Friday, 16 August 2013 23:40 AM
To: Craig Wright
Subject: Reciept

The client has confirmed the transaction and the confirmation process.

We will arrange finalising this and completing the transactions.

We will discuss some questions on Skype. Does the transaction always result in altered addresses and is this to maintain secrecy as promised? What are these messages that appear and why are small amounts sent to these addresses?

Does a transaction fee need to be paid and how does one make the fee smaller and still ensure confirmation?

MJF

From: Craig S Wright
Sent: Friday, 16 August 2013 07:15 AM
To: accounts@mifminingservices.com [<mailto:accounts@mifminingservices.com>]
Subject: RE: Reciept

Awaiting your confirmation.
CSW

From: accounts@mifminingservices.com [<mailto:accounts@mifminingservices.com>]
Sent: Thursday, 15 August 2013 10:36 PM
To: Craig S Wright
Subject: Reciept

Hello,
We have accepted and verified the private keys sent to us below.

[REDACTED] zCea
[REDACTED] x5nq
[REDACTED] XwXy
[REDACTED] WJYm
[REDACTED] ta1K
[REDACTED] Bqkv
[REDACTED] xiEY
[REDACTED] 0IE9
[REDACTED] nLkN

We will process a transfer tomorrow and as long as the first account settles in the timeframe as promised we will proceed.

We remind you that this process is to maintain the utmost secrecy.

Regards,
Accounts

AB Gold and Final Amounts

Address
[REDACTED] zCea
[REDACTED] Bqkv
[REDACTED] XwXy
[REDACTED] x5nq
[REDACTED] 9FE9
[REDACTED] a1K
[REDACTED] nLkN
[REDACTED] iEY
[REDACTED] WJYm
[REDACTED] V3dM
[REDACTED] qMx2

BTC Amount

Address
Issue of off Block Key Transfer.

[REDACTED] BTC

Final Transfer on test of software 09 - October 2013
[https://blockchain.info/tx/\[REDACTED\]](https://blockchain.info/tx/[REDACTED])

Balance Transfer - [REDACTED] BTC (For Rounding)
[https://blockchain.info/tx/\[REDACTED\]](https://blockchain.info/tx/[REDACTED])

[https://blockchain.info/address/\[REDACTED\]zCea](https://blockchain.info/address/[REDACTED]zCea)

Date
Thursday, 15 August 2013

Pay to address from Multiple

9bae

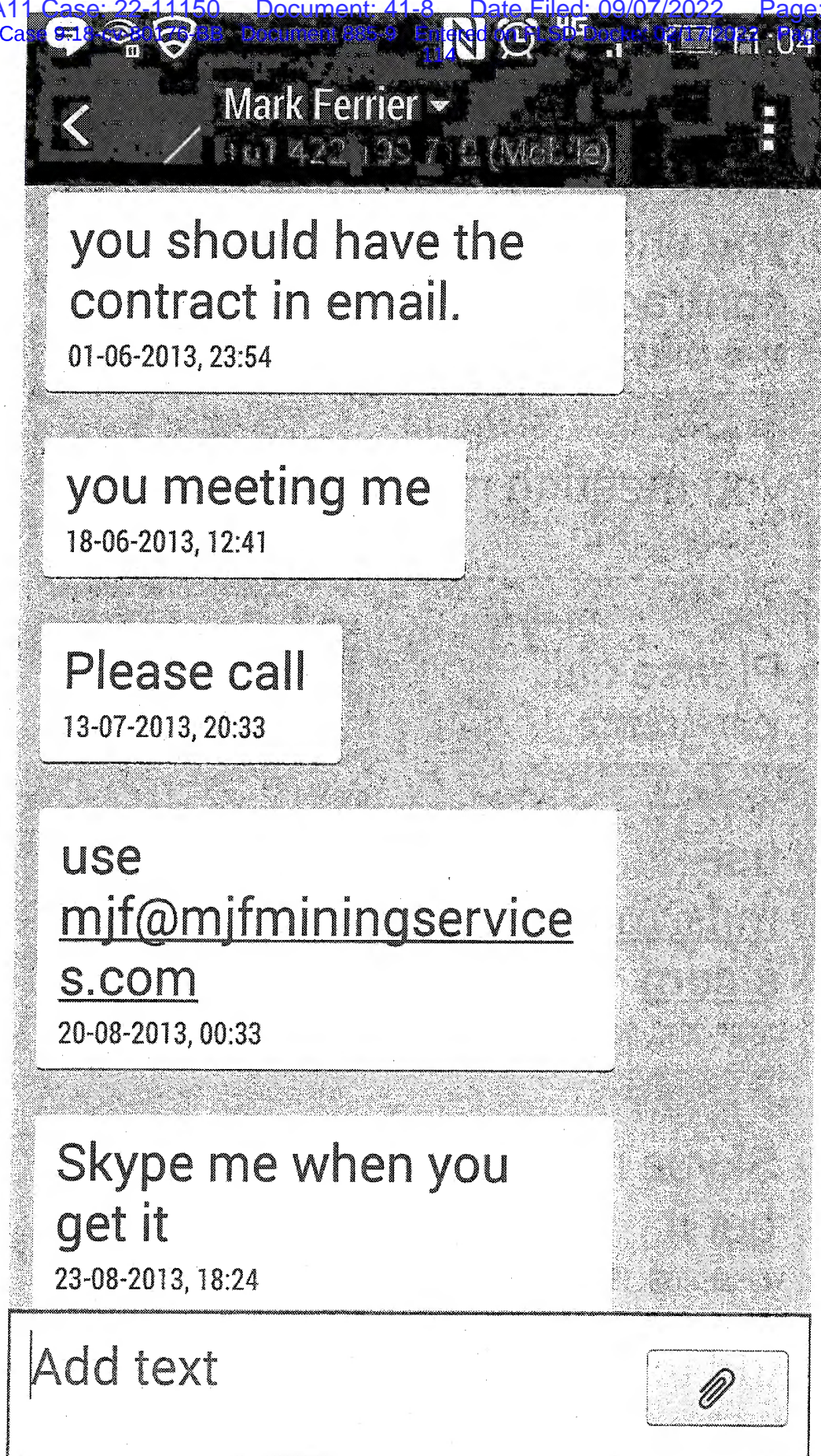
Friday, 30 August 2013

dd5d

CONFIDENTIAL

1600

DEF_01597604



McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Thursday, 30 January 2014 11:11 AM
To: McCaughan, Alexandra
Subject: Fwd: time for a beer

----- Forwarded message -----

From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 22/08/2013 5:11 am
Subject: time for a beer
To: <craig@rcjbr.org>
Cc:

You unlock the software repos, you send the last of the key. Ask anyone, I am the best at my part so all is done ionce you get me that key

So mate, who knows you have this shit?

MJF

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Thursday, 30 January 2014 11:11 AM
To: McCaughan, Alexandra
Subject: Fwd: Delvgered

----- Forwarded message -----

From: "Mark Ferrier" <markferrier@hotmail.com>
Date: 24/08/2013 1:34 pm
Subject: Delvgered
To: <craig@rcjbr.org>
Cc:

It is done. Now we get to something of substance. The numbers may be wanted for now, but gold is always in demand.

Can you tell me what it is you want with automation software and Banking Consolidation? You know noone will want to deal with a arab bank in oz. Then, your game I guess

We will let you know when we start mining

Mark

Tax Invoice Dallah

MJF Contracting

Level 28, 140 St Georges Terrace
Perth,
WA 6000



Date

August 15, 2013

Craig Wright R&D
PO Box 558
Gordon NSW 2072

Same as recipient

Instructions

Core software per alBaraka contract

Quantity XBT	Description	Unit Price	Total
26,464.00	Commitment Fee	3,278,699.29	4,376,569.22
50,522.00	Implementation Fee	7,595,671.30	8,355,238.43
27,667.00	Data Conversion Fee	4,159,562.92	4,575,519.21
7,000.00	Training Fee	1,052,406.85	1,157,647.54
11,165.30	Agent Fee	1,678,634.04	1,846,497.44

Subtotal 18,464,974.40

GST 1,846,497.44

Shipping & Handling NA

Total Due By 9.30.2013 AUD 20,311,471.84

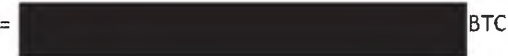
Thank you for your business!

Tel: 08 9278 1438

ASN: 65 160 509 204

markferrier@hotmail.com

http://www.mjfrimingservices.com



Core Software Invoice

Address

[REDACTED]2me

[REDACTED]Uccr

[REDACTED]4x4

[REDACTED]JbD

[REDACTED]uERD

[REDACTED]VZ1

[REDACTED]AyWC

[REDACTED]Vp1

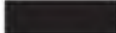
[REDACTED]GJq

[REDACTED]dq6

[REDACTED]ofTz

BTC Amount

[REDACTED]

 BTC

Address

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Issue of off Block Key Transfer.

Initial Seed Transaction to validate BTC

Final Transfer to complete.

Date

Sunday, 15 September 2013

<https://blockchain.info/tx/>
<https://blockchain.info/tx/>







PAYNES FIND GOLD LIMITED

Registered Office:
Ground Floor, 1 Havelock Street
WEST PERTH WA 6005
Phone: +61 8 9488 5220
Fax: +61 8 9324 2400
Principal Place of Business:
Level 2, 41-43 Ord Street
WEST PERTH WA 6005
Phone: +61 8 9481 0992
Fax: +61 8 9481 5665
ABN: 45 141 450 624

1 October 2013

The Manager
Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By e-lodgement

OPERATIONS UPDATE

Paynes Find Gold Limited ("Paynes Find" or "the Company") (ASX:PNE) advises that it has not been able to conclude a revised Mining Services Agreement with MJF in respect of ongoing negotiations previously announced and has formally terminated the agreement. The Company is currently in discussions with other third party contractors in respect of commencing operations on a profit share arrangement.

For and on behalf of the Board.

Carl Popal
Executive Director

For further information please contact:
Carl Popal
Director
T: +61 8 9481 3992



Current details for ABN: 65 160 509 204

ABN details

Entity name: MJF MINING SERVICES WA PTY LTD
ABN status: Active from 25 Sep 2012
Entity type: Australian Private Company
Goods & Services Tax (GST): Registered from 25 Sep 2012
Main business location: WA 6000

ASIC registration - ACN or ARBN

160 509 204 View record on the ASIC website

Deductible gift recipient status

Not entitled to receive tax deductible gifts

Disclaimer

This extract is based on information supplied by businesses to the Registrar of the Australian Business Register. Neither the Registrar nor the Australian Government guarantee this information is accurate, up to date or complete. You should consider verifying this information from other sources.

ABN last updated: 26 Sep 2013

Record extracted: 10 Nov 2013



Historical details for ABN: 65 160 509 204

ABN details

Entity name	From	To
MJF MINING SERVICES WA PTY LTD	25 Sep 2012	(current)
ABN Status	From	To
Active	25 Sep 2012	(current)
Entity type		
Australian Private Company		
Goods & Services Tax (GST)	From	To
Registered	25 Sep 2012	(current)
Main business location	From	To
WA 6000	26 Sep 2013	(current)
WA 6008	19 Sep 2013	26 Sep 2013
WA 6008	12 Sep 2013	19 Sep 2013
WA 6160	21 Aug 2013	12 Sep 2013
QLD 4064	29 Oct 2012	21 Aug 2013
QLD 4064	26 Sep 2012	29 Oct 2012
QLD 4068	25 Sep 2012	26 Sep 2012

ASIC registration - ACN or ARBN

160 509 204 View record on the ASIC website

Deductible gift recipient status

Not entitled to receive tax deductible gifts

Disclaimer

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ABN last updated: 26 Sep 2013

Record extracted: 10 Nov 2013

Thank You ... - Message (HTML)

FILE MESSAGE
Ignore Delete Reply Reply Forward Meeting
Junk All Respond
Delete

Quick Steps
FCA
Team Email
Reply & Delete
To Manager
Done
Create New

Rules
OneNote
Actions
Move
Move
Tags
Follow Up
Categorize
Mark Unread
Translate
Find
Related
Select
Editing
Zoom
Zoom

Sat 12/10/2016 1:07 AM
Mark Ferrier <Markferrier@hotmail.com>
Thank You...

To: Craig S Wright

Your account for the download of the software is listed below.

Direct URL for your download
<http://cp-in-2.e-delivery.albaraka-bank.asia>
cPanel Login Details
You can access your cpanel account directly as follows.
cPanel URL <http://cp-in-2.e-delivery.albaraka-bank.asia/cpanel>
Username albarah6
Password *****

Change Password

Top of Form
Bottom of Form

Mark Ferrier LinkedIn Recommendations

THE AUSTRALIAN

Insolvency expert's son held for fraud

ADAM SHAND THE AUSTRALIAN SEPTEMBER 27, 2013 12:00AM

THE 37-year-old son of Ian Ferrier, one of Australia's most prominent insolvency specialists, has been arrested in Perth after an alleged year-long fraud spree in Western Australia that netted more than \$500,000.

Mark James Ferrier's alleged victims included hotels, aviation and mining companies, lawyers, old school mates and vehicle and heavy equipment distributors as he purported to be a successful mining consultant and contractor setting up business.

Mr Ferrier was arrested by fraud squad detectives on Wednesday morning and is expected to be extradited to Queensland.

He has been on the run since November 2011, and it is understood he has been using aliases, including Mark James Montiford-O'Brien.

Ian Ferrier, chairman of BRI Ferrier, said he was unaware that his son had been arrested as he had not had contact with him in recent years.

Mr Ferrier said he had been told recently his son had used his name to win the confidence of his alleged targets. "It's all very disappointing to hear of this," he said.

Mark Ferrier set up MJF Mining Contractors, under his own name, which struck a deal with listed miner Paynes Find Gold in June. Under the deal, Mr Ferrier would upgrade mining and processing operations at Paynes Find's mine 400km northeast of Perth in return for 50 per cent of the gold recovered.

The company's shares shot up more than 300 per cent after the announcement amid higher than normal trading volume in the junior miner's stock.

Paynes Find Gold chief executive Carl Popal alleged the company had been deceived by Mr Ferrier but stressed that no directors or related parties had traded in the stock. "This is so unbelievable. He sat in front of geologists, lawyers and the board as we did the deal," Mr Popal said.

Using the agreement with Paynes Find, Mr Ferrier allegedly convinced several companies and individuals to work for, and supply equipment to, MJF Mining Contractors on good faith that they would be paid. To date, none of these companies has been paid, according to one of Mr Ferrier's alleged victims.

Mr Ferrier created a lifestyle on his Facebook profile, posting photographs of a luxury residence, a motor cruiser, various trucks and heavy equipment that he claimed to own. "In reality, he had nothing. He didn't even own a car or hold a driver's licence," alleged a former associate, who declined to be named.



Son of solvency expert investigated for fraud

Updated Fri 27 Sep 2013, 4:40pm AEST

The son of one of Australia's most prominent solvency experts is being investigated for fraud in Perth.

Police say 38-year-old Mark James Ferrier, the son of Ian Ferrier, was arrested in the Perth suburb of Subiaco on Wednesday.

They say he will be extradited to Queensland tomorrow morning, to face court for breaching his parole conditions.

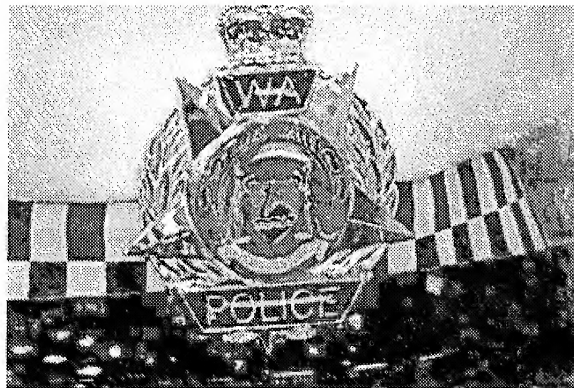


PHOTO: WA police arrested the man in the Perth suburb of Subiaco. (ABC)

MAP: Perth 6000

Police in Perth say Mr Ferrier is also being investigated over allegations he defrauded a number of groups, including mining companies in Perth.

The allegations relate to his consultancy business, MJF Mining Contractors.

It's believed the fraud allegations involve a sum of money of up to \$500,000.

WA police say they expect to extradite Mr Ferrier back to Perth once his Queensland charges have been dealt with.

Topics: fraud-and-corporate-crime, perth-6000, qld

First posted Fri 27 Sep 2013, 1:00pm AEST



ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160 509 204

Date/Time: 13 October 2013 AEST 07:28:50 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD

ACN 160 509 204

Organisation Details	Document Number
Current Organisation Details	
Name: MJF MINING SERVICES WA PTY LTD	1E8752650
ACN: 160 509 204	
ABN: 65160509204	
Registered in: Queensland	
Registration date: 25/09/2012	
Next review date: 25/09/2014	
Name start date: 25/09/2012	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
Current	
Registered address: 'Central Plaza One' Level 30, 345 Queen Street, BRISBANE QLD 4000	1E8752650
Start date: 25/09/2012	
Principal Place Of Business address: 14 Plunkett Street, PADDINGTON QLD 4064	1E8752650
Start date: 25/09/2012	

Officeholders and Other Roles	Document Number
Director	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Secretary	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	

Share Information

Share Structure

Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650

Members
Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty

13 October 2013 AEST 07:28:50 PM

1

DEF_01597621

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD

ACN 160 509 204

members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER

Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

End of Extract of 2 Pages



ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD
ACN: 160 509 204

Date/Time: 17 October 2013 AEST 11:18:42 AM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

Organisation Details	Document Number
Current Organisation Details	
Name: MJF MINING SERVICES WA PTY LTD	1E8752650
ACN: 160 509 204	
ABN: 65160509204	
Registered in: Queensland	
Registration date: 25/09/2012	
Next review date: 25/09/2014	
Name start date: 25/09/2012	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
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Officeholders and Other Roles	Document Number
Director	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Secretary	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	

Share Information

Share Structure

Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650

Members

Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty

17 October 2013 AEST 11:18:42 AM

1

DEF_01597624

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD

ACN 160 509 204

members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER

Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

End of Extract of 2 Pages



ASIC

Australian Securities & Investments Commission

Australian Company

MJF MINING SERVICES WA PTY LTD
ACN 160509204

Extracted from ASIC's database at AEST 19:57:14 on 10/11/2013

Company Summary

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160509204

ABN: 65 160 509 204

Registration Date: 25/09/2012

Next Review Date: 25/09/2014

Status: Registered

Type: Australian Proprietary Company, Limited By Shares

Locality of Registered Office: BRISBANE QLD 4000

Regulator: Australian Securities & Investments Commission

Further information relating to this organisation may be purchased from ASIC.

10/11/2013 AEST 19:57:14

1

DEF_01597626



Historical details for ABN: 65 160 509 204

ABN details

Entity name	From	To
MJF MINING SERVICES WA PTY LTD	25 Sep 2012	(current)
ABN Status	From	To
Active	25 Sep 2012	(current)
Entity type		
Australian Private Company		
Goods & Services Tax (GST)	From	To
Registered	25 Sep 2012	(current)
Main business location	From	To
NA 6000	26 Sep 2013	(current)
WA 6008	19 Sep 2013	26 Sep 2013
WA 6008	12 Sep 2013	19 Sep 2013
WA 6160	21 Aug 2013	12 Sep 2013
QLD 4064	29 Oct 2012	21 Aug 2013
QLD 4064	26 Sep 2012	29 Oct 2012
QLD 4068	25 Sep 2012	26 Sep 2012

ASIC registration - ACN or ARBN

160 509 204 View record on the ASIC website

Deductible gift recipient status

Not entitled to receive tax deductible gifts

Disclaimer

This extract is based on information supplied by businesses to the Registrar of the Australian Business Register. Neither the Registrar nor the Australian Government guarantee this information is accurate, up to date or complete. You should consider verifying this information from other sources.

ABN last updated: 26 Sep 2013

Record extracted: 13 Nov 2013

Form 3B (version 4)
UCPR 6.2

STATEMENT OF CLAIM

COURT DETAILS

Court NSW Supreme Court
Division General division / Common Law
List General
Registry Sydney
Case number

TITLE OF PROCEEDINGS

Plaintiff Craig Steven Wright (ABN 97 481 146 384)
Craig Wright R&D
Defendant MJF Mining Services Pty Ltd
(ABN 65 160 509 204)

FILING DETAILS

Filed for Craig S Wright
Plaintiff
Contact name and telephone Craig S Wright
0417 683 914
Contact email Craig S Wright (craigswright@acm.org)

TYPE OF CLAIM

Mercantile Law - Sale of Goods and Services – Contractual Dispute
Liquidated claim

RELIEF CLAIMED

1 That the defendant pay the plaintiff the total amount claimed below.

Amount of claim	\$ 59,141,471.00
Interest	\$ 0
Filing fees	\$ 999.00
Service fees	\$ 34.00
Solicitors fees	\$ 0.00
TOTAL	\$ 59,142,504.00

PLEADINGS AND PARTICULARS

- 1 The defendant entered into a contract to provide services and unrefined gold to the plaintiff. The defendant paid for the invoiced amount in August 2013.
- 2 The delivery of gold was based on an agreement with Payne Finds Gold Ltd (Payne) to mine the holdings where the defendant would retain 50% of the gold recovered. The agreement with Payne was signed in June 2013.
- 3 The amount was invoiced and paid under Invoice Number OB0188.
- 4 The agreement with Payne was terminated in Sept 2013.
- 5 The agreement stated that valuation services from Ian Ferrier would be supplied. Ian Ferrier has denied that Mark Ferrier is his agent for this agreement.
- 6 As the agreement with Payne has ended, the defendant cannot supply the contracted quantity of gold as agreed.
- 7 The payment was issued in Bitcoin. The number of Bitcoin transferred was 245,103.89. The amount associated with the unsupplied valuation services and gold is 118354.312 Bitcoin.
- 8 The value of Bitcoin at filing is AUD 659,643.
- 9 The contract included GST.
- 10 The total value of Bitcoin against the unfulfilled part of the contract at present is valued at market at \$84,425,743.
- 11 The contract is capped at the value on the payment date. This comes to \$59,141,471 AUD including GST.
- 12 The defendant has not returned calls or correspondence since Sept 2013.

- 13 The material terms of the purchase contract were:
- a. The Plaintiff was the purchaser
 - b. The Defendant was the Vendor
 - c. Completion was to take place based on a third party agreement with Payne that has terminated.
 - d. That in the event that the Purchaser breached the contract, the Seller could either affirm or terminate the contract with a full return of value.
- 14 The contract stated that a breach would lead to liquidated damages to the amounts stated as the project limits.
- 15 The defendant is unable to complete its responsibilities due to the ending of the agreement with Payne and the failure to contract Ian Ferrier for accounting services.
- 16 The total liquidated debt is capped at a liquidated amount of \$59,141,471.
- 17 The plaintiff claims:
- Debt of \$ \$59,141,471.
- Interest pursuant to section 100 Civil Procedure Act 2005 from 18 Nov 2013 to judgement.

SIGNATURE

I acknowledge that court fees may be payable during these proceedings. These fees may include a hearing allocation fee.

Signature

Capacity

Plaintiff

Date of signature

NOTICE TO DEFENDANT

If you do not file a defence within 28 days of being served with this statement of claim:

- You will be in default in these proceedings.
- The court may enter judgment against you without any further notice to you.

The judgment may be for the relief claimed in the statement of claim and for the plaintiff's costs of bringing these proceedings. The court may provide third parties with details of any default judgment entered against you.

HOW TO RESPOND

Please read this statement of claim very carefully. If you have any trouble understanding it or require assistance on how to respond to the claim you should get legal advice as soon as possible.

You can get further information about what you need to do to respond to the claim from:

- A legal practitioner.
- LawAccess NSW on 1300 888 529 or at www.lawaccess.nsw.gov.au.
- The court registry for limited procedural information.

You can respond in one of the following ways:

- 1 If you intend to dispute the claim or part of the claim, by filing a defence and/or making a cross-claim.
- 2 If money is claimed, and you believe you owe the money claimed, by:
 - Paying the plaintiff all of the money and interest claimed. If you file a notice of payment under UCPR 6.17 further proceedings against you will be stayed unless the court otherwise orders.
 - Filing an acknowledgement of the claim.
 - Applying to the court for further time to pay the claim.
- 3 If money is claimed, and you believe you owe part of the money claimed, by:
 - Paying the plaintiff that part of the money that is claimed.
 - Filing a defence in relation to the part that you do not believe is owed.

Court forms are available on the UCPR website at www.lawlink.nsw.gov.au/ucpr or at any NSW court registry.

REGISTRY ADDRESS

Street address 184 Phillip St, Sydney NSW 2000
Postal address Supreme Court of NSW, GPO Box 3, Sydney NSW 2001
Australia 2000
Telephone (02) 9377 5840

#AFFIDAVIT VERIFYING

Name Craig Steven Wright
Address 43 St Johns Ave Gordon NSW 2072
Occupation Lecturer/Director
Date 18 Nov 2013 *19*

I say on oath:

- 1 I am the plaintiff.
- 2 I believe that the allegations of fact in the statement of claim are true.

SWORN at *Sydney*
Signature of deponent *[Signature]*

Name of witness Craig Steven Wright
Address of witness *ASTRID LODENS*
(refer stamp)

Capacity of witness Justice of the peace

And as a witness, I certify the following matters concerning the person who made this affidavit (the deponent):

- 1 #I saw the face of the deponent. [OR, delete whichever option is inapplicable]
~~#I did not see the face of the deponent because the deponent was wearing a face covering, but I am satisfied that the deponent had a special justification for not removing the covering.*~~
- 2 #I have known the deponent for at least 12 months. [OR, delete whichever option is inapplicable]
#I have confirmed the deponent's identity using the following identification document:

New Drivers licence
Identification document relied on (may be original or certified copy) [†]

Signature of witness *[Signature]*

Note: The deponent and witness must sign each page of the affidavit. See UCPR 35.7B.

19/11/13

ASTRID LODENS
Justice of the Peace Registration 148847
in and for the State of New South Wales, Australia
21/163 Majors Bay Rd
Concord NSW 2137

[* The only "special justification" for not removing a face covering is a legitimate medical reason (at April 2012).]

[† "Identification documents" include current driver licence, proof of age card, Medicare card, credit card, Centrelink pension card, Veterans Affairs entitlement card, student identity card, citizenship certificate, birth certificate, passport or see Oaths Regulation 2011.]

#PARTY DETAILS

PARTIES TO THE PROCEEDINGS

Plaintiff

Craig Steven Wright

Defendant

MJF Mining Services Pty Ltd

Level 28, 140 St Georges Tce

Perth

WA 6000 [Defendant]

FURTHER DETAILS ABOUT PLAINTIFF[S]

Plaintiff

Name

Craig Steven Wright

Address

43 St Johns Ave

Gordon NSW 2072

Contact details for plaintiff acting in person or by authorised officer

Address for service

as above

Telephone

0417 683 914

Email

craigswright@acm.org

DETAILS ABOUT DEFENDANT

Defendant

Name

MJF Mining Services Pty Ltd

Address

Level 28, 140 St Georges Tce

Perth WA 6000

This and the following pages is the annexure marked 2/10/2022 referred to in the Affidavit of Craig Steven Wright sworn the 15 day of January 2014

Justice of the Peace/Solicitor

SOC attached - Message (Rich Text)

Adobe PDF

Ignore

Message

File

1 2 3 4 5

Delete

Junk

Reply

Forward

IM

Meeting

Accounts

To Manager

Team E-mail

Quick Steps

Respond

Reply

Forward

IM

Meeting

Accounts

To Manager

Team E-mail

Quick Steps

Move

Actions

OneNote

Rules

Mark Unread

Categorize

Follow Up

Tags

Translate

Select

Related

Find

Zoom

Zoom

Editing

Sent: Tue 19/11/2013 1:09 PM

From: ☐ Craig Wright

To: ☐ 'accounts@myfinanceservices.com'

Cc:

Subject: SOC attached




Please find the SOC filed today attached.


Dr. Craig Wright LLM GSE GSM GSC NIMT MNSA MInfoSec CISSP/ISSMP CISM CISA

RCJBR.org

Tel: + 612 8003 7553 | Mobile: + 61 417 683 914

<http://www.rcjbr.org>



MJF_SOC_Scann...

McCaughan, Alexandra

From: Craig Wright <craig@rcjbr.org>
Sent: Sunday, 2 February 2014 8:48 PM
To: John Chesher; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Subject: FW: Hello,

...

From: Craig S Wright [mailto:craig@rcjbr.org]
Sent: Monday, 25 November 2013 4:10 PM
To: mark@mjfmminingservices.com
Subject: Hello,

Is anyone there?

Affidavit of Craig Steven Wright sworn the
15 day of January 2014

Justice of the Peace/Solicitor

----- Reply message -----

From: "Craig S Wright"

To: "accounts@mifminingservices.com" <accounts@mifminingservices.com>

Subject: RE: SOC

Date: Wed, Dec 18, 2013 11:21

Hello,

Please note we will be pursuing action with or without Mark's involvement.

Craig

----- Reply message -----

From: "accounts@mifminingservices.com" <accounts@mifminingservices.com>

To: "Craig S Wright" <craig.wright@hotwirepe.com>

Subject: SOC

Date: Wed, Dec 18, 2013 08:10

Hello,

We acknowledge receipt of the Statement of Claim, but ask for more time and that you reconsider the agreement.

Mark has been seeking alternatives and all agreements due in the coming year will be honoured. We apologise for the delays, but as you may understand, Mark has been busy with travel and will not be back in the office before next year. Mark has been in South Africa and Central Western Australia, and both locations are outside of phone contact.

The setback with Payne Finds is only a short term setback and will be shortly rectified. As you may know, Carl is not a patient man and has squandered this opportunity.

We ask that you hold off on any further actions until Mark can deal with these personally.

Regards,

Accounts

McCaughan, Alexandra

From: Craig S Wright <craig.wright@hotwirepe.com>
Sent: Sunday, 2 February 2014 9:27 PM
To: John Chesher; McCaughan, Alexandra; Slater, Jonathan; Mavrakis, Nicholas
Subject: FW: Urgent contact

Importance: High

From: Craig S Wright
Sent: Wednesday, 18 December 2013 11:32 AM
To: mjf@mjminingservices.com; mark@mjminingservices.com
Cc: John Chesher
Subject: Urgent contact
Importance: High

Hello Mark,
It has become imperative that you contact us urgently.

If we are not contacted before the end of the month we will have to look at appointing receivers.

Regards,

Dr. Craig S Wright GSE LLM
Chief Executive Officer
Hotwire Preemptive Intelligence (Group)
Mobile: + 61.417.683.914
craig.wright@hotwirepe.com



IN THE FEDERAL COURT OF AUSTRALIA (FCA)
NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA
GENERAL DIVISION
No: NSD2577/2013

NOTICE OF FILING AND HEARING

This application was filed electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 19/12/2013.

DETAILS OF FILING

Document Lodged: Originating Application - Form 15 - Rule 8.01(1)
File Number: NSD2577/2013
File Title: Craig Steven Wright v MJF Mining Services WA Pty Ltd ACN 160 509 204
District Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA
Reason for Listing: First Directions
Time and date for hearing: 05/02/2014, 9:30 AM
Place: Court Room 22A, Level 17 Law Courts Building Queen's Square, Sydney



Warwick Soden

Dated: 19/12/2013

Registrar

NOTES

1. This Notice forms part of the application and contains information that might otherwise appear elsewhere in the application. The Notice must be included in the application served on each party to the proceeding.
2. The 'reason for listing' is descriptive and does not limit the issues that might be dealt with, or orders that might be made, at the hearing.



Form 15
Rules 8.01(1); 8.04(1)

Originating application

No. of 20
Federal Court of Australia

District Registry: NSW

Division: CONSUMER PROTECTION ACTION

Craig Steven Wright
Applicant
MJF MINING SERVICES WA PTY LTD
ACN 160 509 204
Respondent

To the Respondent
The Applicant applies for the relief set out in this application.

The Court will hear this application, or make orders for the conduct of the proceeding, at the time and place stated below. If you or your lawyer do not attend, then the Court may make orders in your absence.

You must file a notice of address for service (Form 10) in the Registry before attending Court or taking any other steps in the proceeding.

Time and date for hearing:

Place:

The Court ordered that the time for serving this application be abridged to
Date:

Signed by an officer acting with the authority
of the District Registrar

Filed on behalf of (name & role of party)	<u>The applicant</u>
Prepared by (name of person/lawyer)	<u>Craig Steven Wright</u>
Law firm (if applicable)	
Tel	<u>0417 683 914</u>
Fax	
Email	<u>Craig.wright@hotwirepe.com</u>
Address for service (include state and postcode)	<u>Unit 502, Level 5, 32 Delhi Road, North Ryde NSW 2113</u>



Details of claim

On the grounds stated in the statement of claim, accompanying affidavit or other document prescribed by the Rules, the Applicant claims:

1. Reimbursement for the value paid for the supply to the market value of \$84,425,743.00 including GST \$7,675,067.55
2. Interest at the rate prescribed in rule 26.01 of the Federal Court Rules.

Applicant's address

The Applicant's address for service is:

Place: Suite 502 / Level 5, 32 Delhi Road North Ryde, NSW 2113


Email: craig.wright@hotmail.com

The Applicant's address is Suite 502 / Level 5, 32 Delhi Road North Ryde, NSW 2113.

Service on the Respondent

It is intended to serve this application on all Respondents.

Date: 19 December 2013


Signed by Craig Steven Wright Applicant

IN THE FEDERAL COURT OF AUSTRALIA (FCA)
NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA
GENERAL DIVISION
No: NSD2577/2013

NOTICE OF FILING

This document was filed electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 19/12/2013.

DETAILS OF FILING

Document Lodged: Statement of Claim - Form 17 - Rule 8.06(1)(a)
File Number: NSD2577/2013
File Title: Craig Steven Wright v MJF Mining Services WA Pty Ltd ACN 160 509 204
District Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



Dated: 19/12/2013

Registrar

Warrick Soden

Note

This Notice forms part of the document and contains information that might otherwise appear elsewhere in the document. The Notice must be included in the document served on each party to the proceeding.



Statement of claim

Federal Court of Australia
Registry: Sydney

File number: (P) _____

Craig Steven Wright
Applicant

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204
Respondent

1. At all material times the respondent was a corporation registered in the State of Western Australia.

2. The respondent and its employees entered into and received payment for a contract to provide unrefined gold from the Payne Finds Gold mine to the Applicant ("the Agreement").

Particulars

Signed letter of offer of Mark Ferrier dated 02 June 2013
Contract for the provision of Gold dated 03 June 2013

3. The applicant paid the invoice including GST. The exchange was made as a transfer of 118,669.924 Bitcoin from the applicant to the respondent.

Particulars

Payment particulars and accounts

4. The payment value applied to the contract comes to a current value of \$84,425,743.00 AUD including a GST component of 7,675,067.55. This is based on the value of good paid for the supply of the unrefined gold at market value. The original supply has been valued at market rate.

Particulars

Currency value from Xe.com, transaction lists (supplied to the ATO and audited) and accounts

5. The respondent had an agreement to farm gold with Paynes Find Gold (ASX: PNE) that provided it with 50% of recovered gold deposits.
Particulars
Announcement from the ASX from (ASX: PNE) dated 04 June 2013
6. The provided it with 50% of recovered gold deposits.
Particulars
Announcement from the ASX from (ASX: PNE) dated 04 June 2013
7. It was a term of the Agreement that unrefined gold would be supplied from a particular mine. The agreement with the owner of the mine has cancelled any agreement with the respondent.
Particulars
Announcement from the ASX from (ASX: PNE) dated 01 October 2013
8. The Agreement with the respondent included valuation and accounting services to be supplied by Ian Ferrier. Ian Ferrier stated that he never had any agreement to supply services
Particulars
The agreement terms and the invoices
9. Ian Ferrier stated that he never had any agreement to supply services and had not been in contact with Mark Ferrier for some time. So such, the services where sold under false pretences.
10. On Friday, 06 December 2013 the applicant was issued with NSW Police report number E 53233272 where the director of the respondent was noted as being investigated for fraud and other deceptive conduct.
11. On 30 November 2013 the applicant was informed from a contact in the Australian Federal Police that the director of the respondent (Mark James Ferrier) was a former felon on bail and was not eligible to act as a director.
12. On 27 September 2013, the respondent was reported to have been extradited by police for trial on fraud charges.
Particulars
Article from the Australian Newspaper dated 27 September 2013 and first read on 17 October 2013 by the applicant

13. On 17 October 2013 the applicant started to attempt to contact the respondent.

Particulars

Emails and Phone records.

14. On 18 December 2013, the applicant was contacted through an email address associated with the respondent

(a) asking for time to negotiate an alternate agreement, and

(b) stating that the respondent was in an area that does not have phone coverage

Particulars

The email communications.

15. The respondent through its sole director (Mark James Ferrier) did not notify the applicant of the failure to have enacted a binding contract with Paynes Find Gold and accepted payment from the applicant using deceptive conduct and fraudulent statements.

16. The applicant was notified that the contract between the respondent and the owner of the Gold deposits was cancelled and that the gold could not be supplied from the respondent as was agreed on 17 October 2013.

Particulars

Signed letter of Carl Popal from Payne Finds dated 01 October 2013

17. And the applicant claims

(a) reimbursement for the value paid for the supply to the market value of \$84,425,743.00 including GST \$7,675,067.55

(b) interest on (a) at the rate prescribed in rule 26.01 of the Federal Court Rules.

Date: 19 December 2013


Signed by Craig Steven Wright Applicant

This pleading was prepared by [Name], lawyer

Certificate of lawyer

I [name of lawyer] certify to the Court that, in relation to the statement of claim filed on behalf of the Applicant, the factual and legal material available to me at present provides a proper basis for each allegation in the pleading.

Date: [eg 18 June 20..]

Signed by [Name of lawyer]
Lawyer for the Applicant

Filed on behalf of (name & role of party)	The applicant	
Prepared by (name of person/lawyer)	Craig Steven Wright	
Law firm (if applicable)		
Tel	0417 683 914	Fax
Email	Craig.wright@hotwirepe.com	
Address for service (include state and postcode)	Unit 502, Level 5, 32 Delhi Road, North Ryde NSW 2113	

Re: FCA action pending - Message (HTML)

FILE MESSAGE

Ignore Delete Reply Forward All

Meeting IM More

FCA To Manager Team Email

Quick Steps

Move OneNote Rules Categorize Follow Up Mark Unread Translate Related Select Find Zoom

Thu 12/19/2013 4:39 PM

accounts@mjfiningservices.com

Re: FCA action pending

To Craig S Wright; accounts@mjfiningservices.com

Cc John Chesher

You forwarded this message on 12/19/2013 4:40 PM.
This message was sent with High Importance.
If there are problems with how this message is displayed, click here to view it in a web browser.

To whom it may concern,

Re your correspondence, we note that this has been received by email but that the director is not available. We do apologise, but Mark will not be back before the hearing date and cannot hence receive this document.

We note that we cannot accept service and reject this as we do not desire to act on a matter whilst the authorised officer of the company is indisposed.

We will contact you when Mark is back. We will not accept further correspondence regarding this matter before this.

Accounts

On December 18, 2013 at 11:49 PM Craig S Wright <craig.wright@hotmail.com> wrote:

Hello,

Due to the inability to contact the director of your company and the repeated requests, we have filed in the Federal Court.

The stamped documents are attached. These will be served to you today in the following manner:

- Fax
- Email
- Registered post (Both to Old and WA)

We regret taking this action, but have been left no choice.

Regards,

Dr. Craig S Wright GSE LLM
Chief Executive Officer

accounts@mjfiningservices.com SOC

CONFIDENTIAL

DEF_01597646

John Chesher

From: accounts@mjfmminingservices.com
Sent: Thursday, 19 December 2013 4:39 PM
To: Craig S Wright; mjf@mjfmminingservices.com
Cc: John Chesher
Subject: Re: FCA action pending

Importance: High

To whom it may concern,
Re your correspondence, we note that this has been received by email but that the director is not available. We do apologise, but Mark will not be back before the hearing date and cannot hence receive this document.

We note that we cannot accept service and reject this as we do not desire to act on a matter whilst the authorised officer of the company is indisposed.

We will contact you when Mark is back. We will not accept further correspondence regarding this matter before this.

Accounts

On December 18, 2013 at 11:49 PM Craig S Wright <craig.wright@hotwirepe.com> wrote:

Hello,

Due to the inability to contact the director of your company and the repeated requests, we have filed in the Federal Court.

The stamped documents are attached. These will be served to you today in the following manner:

- Fax
- Email
- Registered post (Both to Qld and WA)

We regret taking this action, but have been left no choice.

Regards,

Dr. Craig S Wright GSE LLM
Chief Executive Officer
Hotwire Preemptive Intelligence (Group)
Mobile: + 61.417.683.914
craig.wright@hotwirepe.com





ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD

ACN: 160 509 204

Date/Time: 21 December 2013 AEST 05:09:38 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Organisation Details	Document Number
Current Organisation Details	
Name: MJF MINING SERVICES WA PTY LTD	1E8752650
ACN: 160 509 204	
ABN: 65160509204	
Registered in: Queensland	
Registration date: 25/09/2012	
Next review date: 25/09/2014	
Name start date: 25/09/2012	
Status: Registered	
Company type: Australian Proprietary Company	
Class: Limited By Shares	
Subclass: Proprietary Company	

Address Details	Document Number
Current	
Registered address: 'Central Plaza One' Level 30, 345 Queen Street, BRISBANE QLD 4000	1E8752650
Start date: 25/09/2012	
Principal Place Of Business address: 'Info Received Address May Be Invalid, 7/11/2013', 14 **plunkett Street, PADDINGTON QLD 4064	028793476
Start date: UNKNOWN	
Historical	
Principal Place Of Business address: 14 Plunkett Street, PADDINGTON QLD 4064	1E8752650
Start date: 25/09/2012	
Cease date: UNKNOWN	

Officeholders and Other Roles	Document Number
Previous Director	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Cease date: 25/09/2012	
Previous Secretary	
Name: MARK FERRIER	1E8752650
Address: 14 Plunkett Street, PADDINGTON QLD 4064	
Born: 19/12/1975, SYDNEY, NSW	
Appointment date: 25/09/2012	
Cease date: 25/09/2012	

Share Information**Share Structure**

Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650

Members

Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER

Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

Note: Where the expression 'Unknown' is shown, the precise date may be available from records taken over on 1 January 1991 and held by ASIC in paper or microfiche.

End of Extract of 2 Pages



WHOIS

mjminingservices.com registry whois

Updated 1 second ago - Refresh

Domain Name: MJFMININGSERVICES.COM
Registrar: NETWORK SOLUTIONS, LLC.
Whois Server: whois.networksolutions.com
Referral URL: http://www.networksolutions.com/en_US/
Name Server: NS1.DNS.COM
Name Server: NS2.DNS.COM
Status: clientTransferProhibited
Updated Date: 24-nov-2013
Creation Date: 15-oct-2012
Expiration Date: 15-oct-2014

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mjminingservices.com registrar whois

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Domain Name: MJFMININGSERVICES.COM
Registry Domain ID:
Registrar WHOIS Server: whois.networksolutions.com
Registrar URL: http://www.networksolutions.com/en_US/
Updated Date: 2013-11-24T00:00:00Z
Creation Date: 2012-10-15T00:00:00Z
Registrar Registration Expiration Date: 2014-10-15T00:00:00Z
Registrar: NETWORK SOLUTIONS, LLC.
Registrar IANA ID: 2
Registrar Abuse Contact Email: abuse@web.com
Registrar Abuse Contact Phone: 1-800-333-7680
Reseller:
Domain Status: clientTransferProhibited
Registry Registrant ID:
Registrant Name: Ferrier, Mark James
Registrant Organization:
Registrant Street: ATTN insert domain name here care of Network Solutions PO Box 459
Registrant City: Drums
Registrant State/Province: PA
Registrant Postal Code: 18222
Registrant Country: US
Registrant Phone: 570-708-8780
Registrant Phone Ext.:
Registrant Fax:
Registrant Fax Ext.:
Registrant Email:
Registry Admin ID:
Admin Name: Ferrier, Mark James
Admin Organization: null
Admin Street: ATTN insert domain name here care of Network Solutions PO Box 459
Admin City: Drums
Admin State/Province: PA
Admin Postal Code: 18222
Admin Country: US
Admin Phone: 570-708-8780
Admin Phone Ext.:
Admin Fax:
Admin Fax Ext.:
Admin Email: sp5un47b5z8@networksolutionsprivateregistration.com
Registry Tech ID:
Tech Name: Ferrier, Mark James
Tech Organization: null
Tech Street: ATTN insert domain name here care of Network Solutions PO Box 459
Tech City: Drums
Tech State/Province: PA
Tech Postal Code: 18222
Tech Country: US

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24/12/2023

Tech Phone: 570-708-8780
Tech Phone Ext:
Tech Fax:
Tech Fax Ext:
Tech Email: sp5un47b5z8@networksolutionsprivateregistration.com
Name Server: NS1.DNS.COM
Name Server: NS2.DNS.COM
DNSSEC:
URL of the ICANN WHOIS Data Problem Reporting System: <http://wdprs.internic.net/>
>>> Last update of whois database: Tue, 24 Dec 2013 05:09:53 UTC <<<

This listing is a Network Solutions Private Registration. Mail correspondence to this address must be sent via USPS Express Mail(TM) or USPS Certified Mail(R), all other mail will not be processed. Be sure to include the registrant's domain name in the address.

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Domains	Hosting & Private	Investments	Support
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Whois Domain Privacy	Domain Portfolio	Starting a Domain	Domain Transfer
Buy Domain Reseller	Linux Reseller Hosting	Web & Server Monitoring	Report Abuse
Buy Domain Transfer	Domain Name Registration	Backup and Recovery	About Us
Whois Lookup	Domain Portfolio		
Domain Suspension	Domain		
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ASIC

Australian Securities & Investments Commission

Current & Historical Company Extract

Name: MJF MINING SERVICES WA PTY LTD
ACN: 160 509 204

Date/Time: 29 December 2013 AEST 12:10:47 PM

This extract contains information derived from the Australian Securities and Investments Commission's (ASIC) database under section 1274A of the Corporations Act 2001.

Please advise ASIC of any error or omission which you may identify.

EXTRACT

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

Organisation Details		Document Number
Current Organisation Details		
Name:	MJF MINING SERVICES WA PTY LTD	1E8752650
ACN:	160 509 204	
ABN:	65160509204	
Registered in:	Queensland	
Registration date:	25/09/2012	
Next review date:	25/09/2014	
Name start date:	25/09/2012	
Status:	Registered	
Company type:	Australian Proprietary Company	
Class:	Limited By Shares	
Subclass:	Proprietary Company	
Address Details		
Current		
Registered address:	'Central Plaza One' Level 30, 345 Queen Street, BRISBANE QLD 4000	1E8752650
Start date:	25/09/2012	
Principal Place Of Business address:	'Info Received Address May Be Invalid, 7/11/2013', 14 **plunkett Street, PADDINGTON QLD 4064	028793476
Start date:	UNKNOWN	
Historical		
Principal Place Of Business address:	14 Plunkett Street, PADDINGTON QLD 4064	1E8752650
Start date:	25/09/2012	
Cease date:	UNKNOWN	
Officeholders and Other Roles		Document Number
Previous Director		
Name:	MARK FERRIER	1E8752650
Address:	14 Plunkett Street, PADDINGTON QLD 4064	
Born:	19/12/1975, SYDNEY, NSW	
Appointment date:	25/09/2012	
Cease date:	25/09/2012	
Previous Secretary		
Name:	MARK FERRIER	1E8752650
Address:	14 Plunkett Street, PADDINGTON QLD 4064	
Born:	19/12/1975, SYDNEY, NSW	
Appointment date:	25/09/2012	
Cease date:	25/09/2012	
Share Information		
Share Structure		

29 December 2013 AEST 12:10:47 PM

1

DEF_01597654

Current & Historical Company Extract

MJF MINING SERVICES WA PTY LTD
ACN 160 509 204

Class	Description	Number issued	Total amount paid	Total amount unpaid	Document number
ORD	ORDINARY SHARES	120	120.00	0.00	1E8752650

Members

Note: For each class of shares issued by a proprietary company, ASIC records the details of the top twenty members of the class (based on shareholdings). The details of any other members holding the same number of shares as the twentieth ranked member will also be recorded by ASIC on the database. Where available, historical records show that a member has ceased to be ranked amongst the top twenty members. This may, but does not necessarily mean, that they have ceased to be a member of the company.

Name: MARK FERRIER

Address: 14 Plunkett Street, PADDINGTON QLD 4064

Class	Number held	Beneficially held	Paid	Document number
ORD	120	no	FULLY	1E8752650

Documents

Note: Where no Date Processed is shown, the document in question has not been processed. In these instances care should be taken in using information that may be updated by the document when it is processed. Where the Date Processed is shown but there is a zero under No Pages, the document has been processed but a copy is not yet available.

Date received	Form type	Date processed	Number of pages	Effective date	Document number
25/09/2012	201C Application For Registration As A Proprietary Company	25/09/2012	3	25/09/2012	1E8752650

Note: Where the expression 'Unknown' is shown, the precise date may be available from records taken over on 1 January 1991 and held by ASIC in paper or microfiche.

End of Extract of 2 Pages

TAB 887

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 18-cv-80176-BLOOM/Reinhart

IRA KLEIMAN, *et al.*,

Plaintiffs,

v.

CRAIG WRIGHT,

Defendant.

_____ /

ORDER ON MOTION FOR NEW TRIAL

THIS CAUSE is before the Court upon the Estate of David Kleiman’s (“Estate”) Motion for a New Trial Based on Violations of Order Excluding Sibling Relationship Evidence, ECF No. [861] (“Motion”). Defendant Craig Wright (“Defendant”) filed an Opposition to the Motion, ECF No. [869] (“Response”), to which Plaintiff filed a Reply, ECF No. [875] (“Reply”). The Court has carefully reviewed the Motion, all opposing and supporting materials, the record in this case, the applicable law, and is otherwise fully advised. For the reasons set forth below, the Motion is denied.

I. BACKGROUND

The Court assumes the parties’ familiarity with the general factual allegations and evidence presented at the trial. On February 14, 2018, the Estate and W&K Info Defense Research, LLC (“W&K”) (collectively, “Plaintiffs”) initiated this action concerning a dispute over the ownership of bitcoins and bitcoin-related intellectual property. On January 14, 2019, Plaintiffs filed the operative Second Amended Complaint ECF No. [83] (“Complaint”), asserting the following claims for relief: conversion (Count I); unjust enrichment (Count II); misappropriation (Count III); violation of the Defense of Trade Secrets Act (Count IV); breach of fiduciary duty (Count V);

breach of partnership duties of loyalty and care (Count VI); fraud (Count VII); constructive fraud (Count VIII); permanent injunction (Count IX); and civil theft (Count X).¹

Following a 21-day jury trial commencing on November 1, 2021, the jury returned a verdict solely in favor of W&K as to its conversion claim against Defendant. ECF No. [812]. As to this claim, the jury awarded W&K \$100,000,000.00. *Id.* On December 7, 2021, the Court entered Final Judgment reflecting the jury's award. ECF No. [814]. The Estate now moves for a new trial on its claims pursuant to Rule 59 of the Federal Rules of Civil Procedure. *See generally* ECF No. [861]. The Estate argues that notwithstanding the Court's Order on Motion *in Limine* excluding evidence about Ira Kleiman's relationship with his brother David Kleiman, except as to the siblings' dinner conversation on Thanksgiving Day 2009, Defendant "inappropriately focused the jury's attention on the brothers' relationship more than ten times during trial." *Id.* at 1-2; *see also* ECF No. [623] ("Order").²

The Estate maintains that: (1) the references to the sibling relationship suggested to the jury that the relationship between David and Ira Kleiman was a valid consideration in deciding the Estate's claims; (2) defense counsel made several references to the sibling relationship; (3) the Court overruled the Estate's objections to defense counsel's questioning on the sibling relationship; (4) the Estate could not correct misleading aspersions that Defendant cast on the sibling relationship; and (5) there is direct information demonstrating that Defendant's violation

¹ On December 27, 2018, the Court dismissed with prejudice as time barred Plaintiffs' claims for misappropriation (Count III) and violation of the Defense of Trade Secrets Act (Count IV) under a preceding version of the Complaint. *See* ECF No. [68].

² In the Order, the Court held that "[e]vidence about Ira Kleiman's sibling-relationship with [David] Kleiman is excluded except as to the Thanksgiving Day 2009 dinner conversations." ECF No. [623] at 16. The Court explained that the "post-2009 relationship evidence has little bearing, if any, on material issues in dispute in this case" and that evidence regarding "whether Ira Kleiman visited his brother at the hospital, spoke to him infrequently, or whether [David] Kleiman mentioned Ira Kleiman to others had limited probative value but substantial capacity to cause undue prejudice." *Id.* at 15.

of the Order affected the jury's deliberations. ECF No. [861] at 9-12. Defendant opposes the Motion. *See generally* ECF No. [869].

II. LEGAL STANDARD

Among other relief, a court may grant a new jury trial under Rule 59 “for any reason for which a new trial has heretofore been granted in an action at law in federal court.” Fed. R. Civ. P. 59(a). For instance, a party may assert that “the verdict is against the weight of the evidence, that the damages are excessive, or that, for other reasons, the trial was not fair to the party moving.” *Montgomery Ward & Co. v. Duncan*, 311 U.S. 243, 251 (1940). Thus, a motion for new trial should be granted “when the verdict is against the clear weight of the evidence or will result in a miscarriage of justice, even though there may be substantial evidence which would prevent the direction of a verdict.” *Brown v. Sheriff of Orange Cnty., Fla.*, 604 F. App'x 915 (11th Cir. 2015) (quoting *Lipphardt v. Durango Steakhouse of Brandon, Inc.*, 267 F.3d 1183, 1186 (11th Cir. 2001)); *see Tucker v. Hous. Auth. of Birmingham Dist.*, 229 F. App'x 820, 826 (11th Cir. 2007) (“[N]ew trials should not be granted on evidentiary grounds unless, at a minimum, the verdict is against the great—not merely the greater—weight of the evidence.”).

“[G]ranteeing motions for new trial touches on the trial court's traditional equity power to prevent injustice and the trial judge's duty to guard the integrity and fairness of the proceedings before [her].” *Sherrod v. Palm Beach Cnty. Sch. Dist.*, 237 F. App'x 423, 424 (11th Cir. 2007) (quoting *Christopher v. Florida*, 449 F.3d 1360, 1366 n.4 (11th Cir. 2006)). Ultimately, “motions for a new trial are committed to the discretion of the trial court.” *Montgomery v. Noga*, 168 F.3d 1282, 1295 (11th Cir. 1999); *Steger v. General Elec. Co.*, 318 F.3d 1066, 1081 (11th Cir. 2003) (citing *Deas v. PACCAR, Inc.*, 775 F.2d 1498, 1503 (11th Cir. 1985)) (“A district court is permitted wide discretion in considering a motion for new trial based on an erroneous jury instruction.”).

III. DISCUSSION

The Estate argues that a new trial is warranted based upon the misconduct of defense counsel in violating the Court's Order. *See generally* ECF No. [861]. The Estate maintains that the parties vigorously litigated, in pretrial motions *in limine*, Defendant's ability to inject Ira Kleiman's relationship with his brother David Kleiman into the trial as an attempt to persuade the jury that the Estate should not recover because Ira was somehow undeserving. *Id.* at 1. Yet, according to the Estate, despite the Court's exclusion of evidence about the brothers' relationship, except for the Thanksgiving Day 2009 conversation, "Defendant inappropriately focused the jury's attention on the brothers' relationship more than ten times during trial." *Id.* at 2; *see also* ECF No. [838] at 184:19-24; ECF No. [839] at 149:22-150:24; ECF No. [840] at 23:12-24:1, 84:1-2, 135:22-136:3, 173:13-25; ECF No. [841] at 68:7-21, 70:16-21.

The Estate maintains that a new trial on its claims is necessary and, in support, raises five overarching arguments. First, "the more than ten references to the relationship between David and Ira Kleiman by counsel for Defendant improperly suggested to the jury that the sibling relationship was a valid consideration in deciding the Estate's claims." ECF No. [861] at 9. Second, "[t]he timing, number, and manner of references shows that Defendant intentionally elicited the evidence about the relationship between David and Ira and meant to focus the jury's attention on the issue." *Id.* at 10. Third, "[t]he prejudice to the Estate was amplified by the overruling of early objections to Defendant's counsel raising the issue of the sibling relationship." *Id.* at 11. Fourth, "Plaintiffs—abiding by the Court's order—did not have the opportunity to correct the misrepresentations made to the jury about the brothers' relationship." *Id.* Fifth, a legal media outlet secured an interview with a juror, who related that "[i]n three years [Ira] didn't go to the hospital to visit David 'clouded [the juror's] view as far as what the actual record stated.'" *Id.* at 12 (alterations in original) (quoting ECF No. [861-7] at 3).

In response, Defendant maintains that a new trial is not warranted, challenging each of the ten references to the siblings' relationship that forms the basis of the Estate's Motion. *See generally* ECF No. [869]. First, Defendant argues that the Estate waived any claimed error in admitting evidence as to five questions because it "never objected, never moved to strike the answers, and never asked for a curative instruction[.]" *Id.* at 5 (emphasis omitted) (citing ECF No. [840] at 23:12-19, 84:1-2, 135:22-136:3, 173:12-25; ECF No. [838] at 184:19-24). Second, as for the three questions to which the Court sustained the Estate's objections, *see* ECF No. [840] at 23:20-24:1; ECF No. [841] at 68:7-21, 70:16-21, Defendant argues that "[t]hese three (unanswered) questions cannot be grounds for a new trial because questions are not evidence." ECF No. [869] at 9 (emphasis omitted). Third, as for the two remaining questions to which the Court overruled the Estate's objections, *see* ECF No. [839] at 149:22-150:24, Defendant argues that "the Court plainly had discretion to overrule [the Estate's] two objections in light of the evidence that had been introduced, and decide that those two questions did not upset the balancing test of Rule 403, even if that might have amounted to a 'modification' of the Order (it did not)." ECF No. [869] at 11.

In the alternative, Defendant maintains that even if there was an error regarding any of the ten challenged references, the evidence was cumulative and therefore harmless. *Id.* at 12-16. According to Defendant, "there was extensive other evidence in the record (some proffered by [the Estate] of a limited relationship between the brothers." *Id.* at 13. Specifically, the lack of testimony from Ira Kleiman about seeing David Kleiman "demonstrated that they were not close" and "Ira also volunteered testimony that they never discussed David's lengthy hospitalizations and health issues, as one would reasonably expect brothers to do[.]" *Id.* at 14 (citing ECF No. [839] at 176:18-177:1. On the other hand, Kimon Andreou, David Kleiman's best friend, "testified that he visited David daily in the hospital and spoke to him every day" and "testified at length about their text messages, which discussed David's personal life, including his health issues." *Id.* (citing ECF No.

[848] at 99:3-16, 110:6-19). Additionally, Defendant maintains that because “[t]he jury awarded no bitcoin-related damages either to the Estate or to W&K . . . there must have been something other than the ‘relationship evidence’ that caused the jury to reject all of W&K’s bitcoin-related damages claims.” *Id.* at 15. Further, Defendant avers that even “the Law 360 article the Estate relies on[] suggests that [P]laintiffs failed to prove David Kleiman was a bitcoin miner, much less a bitcoin coder, and this failure of proof applied equally to the claims of W&K and the Estate[.]” *Id.* (footnote omitted) (citing ECF No. [861-7] at 2).

“The standard for determining whether a jury verdict should be set aside as a result of misconduct of counsel is whether the conduct was ‘such as to impair gravely the calm and dispassionate consideration of the case by the jury.’” *Bank Atlantic v. Blythe Eastman Paine Webber, Inc.*, 955 F.2d 1467, 1474 (11th Cir. 1992) (citation omitted). In making this determination, courts “look to the entire argument, the context of the remarks, the objection raised, and the curative instruction[.]” *Allstate Ins. Co. v. James*, 845 F.2d 315, 318 (11th Cir. 1988) (citation omitted).

Upon review of the record and consideration of the parties’ briefings, the Court finds the Estate’s arguments are unpersuasive and insufficient to warrant a new trial. First, the Court highlights that the Estate failed to object at trial to many of the questions with which it now takes issue, ECF No. [838] at 184:19-24; ECF No. [840] at 84:1-2, 135:22-136:3. *See Frederick v. Kirby Tankships, Inc.*, 205 F.3d 1277, 1285 (11th Cir. 2000) (“Generally, a party must object to preserve error in the admission of testimony, even when a party or a court violates an in limine ruling.”); *see also ML Healthcare Servs., LLC v. Publix Super Markets, Inc.*, 881 F.3d 1293, 1305 (11th Cir. 2018) (“A motion *in limine* may preserve an objection when the district court has ‘definitively’ ruled on the matter at issue . . . But ‘if the opposing party violates the terms of the initial ruling, objection must be made when the evidence is offered to preserve the claim of error for appeal.’”

(internal citation omitted) (quoting Fed. R. Evid. 103 advisory committee's note to the 2000 Amendments))).

Additionally, the Estate did not move to strike any testimony elicited regarding the brothers' sibling relationship, nor did it request a curative instruction at any point during the lengthy 21-day jury trial.³ See ECF No. [838] at 184:19-24; ECF No. [839] at 149:22-150:24; ECF No. [840] at 23:12-24:1, 84:1-2, 135:22-136:3, 173:13-25; ECF No. [841] at 68:7-21, 70:16-21. Under these circumstances, the Court concludes that the Estate's failure to raise a contemporaneous objection, move to strike any testimony, or seek a curative instruction effectively waived its ability to raise any objection post-trial on the basis that Defendant's questions and/or the testimony Defendant elicited were unduly prejudicial. As such, "any prejudice suffered by [the Estate] is due to [it's] own failure to bring the matter to the Court's attention in a timely manner before the jury's verdict." *Barragan v. LCT Transp. Servs., Inc.*, No. 00-2040-CIV, 2002 WL 32248046, at *2 (S.D. Fla. Mar. 15, 2002), *aff'd sub nom. Barragan v. LCT Transp.*, 65 F. App'x 713 (11th Cir. 2003); *see also* ECF No. [623] at 3 ("[i]n light of the preliminary or preemptive nature of motions *in limine*, 'any party may seek reconsideration at trial in light of the evidence actually presented and shall make contemporaneous objections when evidence is elicited.'" (citations omitted)).

Nonetheless, even if the Court were to assume that the Estate preserved any claim of error as to references of the brothers' sibling relationship, the Court is not persuaded that Defendant's

³ The Court notes that while the Estate takes issues with three questions to which the Court sustained its objections, *see* ECF No. [840] at 23:20-24:1; ECF No. [841] at 68:7-21, 70:16-21, the Court instructed the jury at the outset of trial that "the lawyers' questions and objections are not evidence. Only the witnesses' answers are evidence." ECF No. [837] at 174:18-19. The Court further instructed the jury that "when I sustain an objection to a question, you must ignore the question and not guess what the answer might have been." *Id.* at 175:9-11. *See United States v. Colston*, 4 F.4th 1179, 1192 (11th Cir. 2021) ("We always presume that a jury follows its instructions." (citing *United States v. Brown*, 983 F.2d 201, 202 (11th Cir. 1993))).

purported misconduct was so prejudicial as to warrant a new trial. As Defendant correctly argues, there was other evidence in the record demonstrating a limited relationship between Ira and David Kleiman. Indeed, Ira Kleiman voluntarily testified that he and David Kleiman did not discuss David's lengthy hospitalizations or serious health conditions:

Q. Your brother knew that he was not in good health?

A. He didn't really have those kind of discussions with me. I'm not exactly sure -- you know, he didn't mention specifically like what kind of health condition he was in.

Q. Your brother was hospitalized almost every day of the last two years of his life in the VA hospital here in Miami, was he not?

A. Yes. But I'm just saying he didn't really discuss that kind of stuff with me.

ECF No. [839] at 176:18-177:1. Conversely, Kimon Andreou, David Kleiman's best friend, testified extensively about their text messages discussing David's personal life and health issues. ECF No. [848] at 110:6-114:14, 117:8-122:10.

Moreover, the Law360 article the Estate relies upon does not support its position that the references of the siblings' relationship affected the jury's verdict. Rather, the quotes contained in the article demonstrate that Plaintiffs failed to prove that David Kleiman mined or coded bitcoin:

'They never proved to me without a shadow of a doubt that he was involved in bitcoin in any way,' the juror said. 'Everybody said he wasn't a miner, he wasn't a coder. I just felt like he may have written papers for Dr. Wright, and that's where their friendship was.' Jurors deliberated for more than a week, as the two holdouts in Kleiman's camp pored through all the evidence, according to the juror. 'They finally realized there was no positive connection with bitcoin,' the juror said. 'That's when they agreed that as far as liability towards bitcoin, there was none.'

See ECF No. [861-7] at 2 (emphasis added). As such, the Court can hardly conclude that the jury awarded no bitcoin-related damages because of the Defendant's references to the brothers' sibling relationship. Rather, based upon the record in this case, the jury failed to award damages to the Estate on any of its claims due to the Estate's failure to meet its burden of proof at trial, not Defendant's purported misconduct.

Lastly, the Court is not persuaded that the principal authority cited by the Estate supports its position that a new trial is warranted. *See Christopher v. Florida*, 449 F.3d 1360, 1365 (11th Cir. 2006) (affirming district court’s grant of new trial where, among other factors, “Plaintiff’s counsel’s improper closing argument prejudiced the substantial rights of Defendants by taking away from Defendants the benefits of the partial summary judgment they had won before trial and by incorrectly expanding the grounds for liability at trial to include grounds ruled out by the court.”); *McWhorter v. City of Birmingham*, 906 F.2d 674 (11th Cir. 1990) (same, where counsel argued an excluded theory “in the rebuttal portion of [his] argument, immediately before the jury began to deliberate; defense counsel had no opportunity to respond to these claims; and the jury noticed that” a document referenced during closing, which was based on the excluded theory and not admitted into evidence, “was not included in the exhibits.”); *Goodman v. Safeco Insurance Co. of Illinois*, No. 8:13-cv-2641-T-30EAJ, 2015 WL 898696 (M.D. Fla. Mar. 3, 2015) (granting motion for new trial where counsel’s commentary during closing argument “encouraged the jury to decide the case not on the merits, but on the idea that the insurance company would be cheating an innocent and injured third party.”).

Here, Defendant never urged the jury at any point during trial, let alone during closing argument, to decide the Estate’s claims on an improper basis—namely, that the siblings were estranged, and Ira Kleiman was, therefore, undeserving. Rather, the Court can ascertain several proper purposes for the challenged evidence. This includes establishing the implausibility of the Thanksgiving Day 2009 conversation, relevant dates, and Ira Kleiman’s personal knowledge of David Kleiman’s finances. Moreover, the jury was properly instructed that their decision must be based on the actual evidence presented and they must not be influenced by any sympathy or prejudice toward against any party. *See* ECF No. [851] at 20:9-11 (“Your decision must be based only on the evidence presented here. You must not be influenced in any way by either sympathy

Case No. 18-cv-80176-BLOOM/Reinhart

for or prejudice against anyone.”); *see also id.* at 44:12-15 (“You must decide the case solely on the evidence and the law before you and must not be influenced by any personal likes or dislikes, opinions, prejudices, sympathy, or biases.”); *see also Ash v. Tyson Foods, Inc.*, 664 F.3d 883, 898 (11th Cir. 2011) (“We presume that juries follow the instructions given to them.” (quoting *United States v. Lopez*, 649 F.3d 1222, 1237 (11th Cir. 2011))).

IV. CONCLUSION

Accordingly, it is **ORDERED AND ADJUDGED** that the Motion, **ECF No. [861]**, is **DENIED** consistent with this Order.

DONE AND ORDERED in Chambers at Miami, Florida, on February 28, 2022.

A handwritten signature in black ink, appearing to be 'JB' or similar, with a long horizontal stroke extending to the right.

BETH BLOOM
UNITED STATES DISTRICT JUDGE

Copies to:

Counsel of Record

TAB 889

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 18-cv-80176-BLOOM/Reinhart

IRA KLEIMAN, *et al.*,

Plaintiffs,

v.

CRAIG WRIGHT,

Defendant.

_____ /

AMENDED FINAL JUDGMENT

THIS CAUSE is before the Court following entry of the Final Judgment, ECF No. [814], and Order on Motion to Amend Final Judgment, ECF No. [888] (“Order”). Pursuant to Rule 58, and for the reasons set forth in the Court’s Order, it is **ORDERED AND ADJUDGED** as follows:

1. Judgment is entered in favor of Plaintiff W&K Info Defense Research, LLC, as to its claim against Defendant Craig Wright for Conversion in the amount of \$100,000,000.00, for which sum let execution issue.
2. Consistent with the Court’s Order, ECF No. [888], prejudgment interest shall be awarded in the amount of **\$43,132,492.48** pursuant to Florida Statute § 55.03.
3. The Court reserves jurisdiction to award attorneys’ fees and costs.
4. Post-judgment interest shall accrue on this Judgment pursuant to 28 U.S.C. § 1961.

DONE AND ORDERED in Chambers at Miami, Florida, on March 9, 2022.



BETH BLOOM
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record

TAB CS

CERTIFICATE OF SERVICE

I hereby certify that on September 7, 2022, 2 copies of the appendix were dispatched for delivery to the Clerk's Office of the United States Court of Appeals for the Eleventh Circuit by third-party commercial carrier for overnight delivery at the following address:

David J. Smith
Clerk of Court
U.S. Court of Appeals for the 11th Circuit
56 Forsyth St., N.W.
Atlanta, Georgia 30303

On this same date, a copy of the public volumes of the appendix was served on all counsel of record via CM/ECF and a copy of the sealed volume 9 of the appendix was served on the following via third party commercial carrier for delivery within three days:

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